

Ordinance Exhibit B

Form of Trust Indenture

[See Attached]

TRUST INDENTURE

By and Among

**CITY OF CHICAGO,
as Issuer**

and

**[TRUSTEE],
as Trustee**

and

**HHDC MARTHA MANAGER LLC,
as Holder**

and

**THE MARTHA HHDC LIHTC LLC,
as Borrower**

Dated as of _____ 1, 2025

**\$ _____
Multifamily Housing Revenue Bonds (Martha Washington Apartments),
Series 2025**

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(This Table of Contents is not a part of this Subordinate Trust Indenture
But rather is for convenience of reference only)

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EXHIBIT A FORM OF BOND
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EXHIBIT C FORM OF NOTE
EXHIBIT D FORM OF SELLER LOAN NOTE
EXHIBIT E LEGAL DESCRIPTION OF PROPERTY

TRUST INDENTURE

THIS TRUST INDENTURE is made and dated as of _____ 1, 2025 (this “**Indenture**”), by and among the **CITY OF CHICAGO**, a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the “**Issuer**”), [TRUSTEE], a _____, duly organized and existing under the laws of _____ and authorized to conduct business in the State of Illinois, with its designated corporate office located in Chicago, Illinois, as trustee (together with any successor trustee thereunder, the “**Trustee**”), **HHDC MARTHA MANAGER LLC**, an Illinois limited liability company, as initial holder of the Bonds described herein, and any of its successors and assigns (the “**Holder**”), and **THE MARTHA HHDC LIHTC LLC**, an Illinois limited liability company, as the Borrower (the “**Borrower**”).

WITNESSETH:

WHEREAS, certain of the terms and words used in these Recitals, are defined in Section 1.1 of this Indenture;

WHEREAS, pursuant to Article VII, Section 6 of the 1970 Constitution of the State of Illinois and pursuant to the hereinafter defined Ordinance of the Issuer, the Issuer is authorized to exercise any power and perform any function pertaining to its government and affairs, including the power to issue its revenue bonds in order to aid in providing an adequate supply of residential housing for low and moderate income persons or families within the Issuer, which constitutes a valid public purpose for the issuance of revenue bonds by the Issuer;

WHEREAS, the Issuer has determined to issue, sell and deliver \$ _____ aggregate principal amount of its Multifamily Housing Revenue Bonds (Martha Washington Apartments), Series 2025 (the “**Bonds**”);

WHEREAS, pursuant to this Indenture, the Bonds will be purchased by the Holder for the Consideration (as defined below), and the proceeds of the Bonds will be advanced by the Holder, on behalf of the Issuer, to the Borrower for the purpose of funding a loan (the “**Loan**”) in the maximum aggregate principal amount of \$12,961,293 to the Borrower to finance a portion of the cost of the Borrower’s acquisition, through the acquisition of 100% of the membership interests of The Martha HHDC LLC, an Illinois limited liability company (the “**Owner**”), of Martha Washington Apartments, a multifamily housing development, consisting of one five-story building, containing 104 units (consisting of a mix of 4 studio units, 87 one-bedroom units and 13 two-bedroom units) of which 100% will be affordable for households earning no more than 80 percent of the area median income, and at least 40% of which units are expected to be leased to individuals or families whose annual income does not exceed 60% of area median income, as well as an allocable portion of residential amenities for the tenants thereof, and located at 2324 West Irving Park Road, Chicago, Illinois (the “**Project**”), all to be owned by the Owner, and the Loan will be made to the Borrower by the Holder for the account of the Issuer pursuant to the Loan Documents;

WHEREAS, the Holder, as a condition to its purchase of the Bonds, has required that the Issuer, the Trustee and the Borrower execute and deliver this Indenture;

WHEREAS, the Borrower's obligation to repay the Loan will be evidenced by that certain Note (the "**Note**") made by the Borrower to the Issuer and the Holder, and assigned to the Trustee, as further described herein, and secured by that certain Bond Mortgage, Assignment of Rents, Security Agreement and Financing Statement (Seller Financing) (the "**Bond Mortgage**") dated as of _____ 1, 2025, executed by the Owner, as mortgagor to the Holder and collaterally assigned to the Trustee, in its capacity as trustee for the Issuer;

NOW, THEREFORE, as an inducement to the Holder to purchase the Bonds, as provided herein, and as an inducement to the Holder on behalf of the Issuer to make and disburse the proceeds of the Bonds to make the Loan as provided herein, and in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Issuer, in order to secure the due and punctual payment of the Bonds and other sums due the Holder hereunder or thereunder, does hereby pledge, grant, bargain, sell, convey, assign, mortgage and transfer, and grant a security interest in, all of the Issuer's right, title and interest in and to the following described property, whether real or personal, except for the Reserved Rights (defined below) (collectively, the "**Collateral**"), to the Trustee, for the benefit of the Holder; provided, however, that this Indenture and the agreements and covenants made hereunder shall not be construed to constitute a general obligation of the Issuer, and any obligations hereunder are limited obligations of the Issuer to be paid and satisfied solely from the following described Collateral:

(i) the Loan, including without limitation, the Note, the Bond Mortgage and all other Loan Documents (as hereinafter defined) to which the Issuer now is, or hereafter may be, a party or a direct beneficiary, together with all rights, powers, privileges and other benefits of the Issuer under the Loan Documents, including the right to make all waivers and agreements, to give and receive duplicate copies of all notices and other instruments or communications, to take such action upon the occurrence of any default under the Loan Documents, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Loan Documents or by law, and to do any and all other things whatsoever which the Issuer is or may be entitled to do under the Loan Documents;

(ii) any and all payments of principal, interest, premiums and late payment fees made on the Loan at any time hereafter by the Borrower;

(iii) the proceeds of the sale of the Bonds to the extent they have not been applied to fund the Loan;

(iv) all tax, insurance or other similar escrows, if any, now or hereafter held by the Holder in accordance with the Bond Mortgage with respect to the Loan; and

(v) any and all proceeds received under any policy of title insurance, hazard insurance, or other such insurance with respect to the Project, proceeds received from Condemnation (as that term is defined below), and revenues, proceeds and other payments and tenders received from any foreclosure (or payments in lieu of foreclosure) of the Subordinate Bond Mortgage or from enforcement of the Subordinate Bond Mortgage or any other Loan Documents, and any and all proceeds from the conversion, voluntary or involuntary, of any of the foregoing into cash or other liquidated claims;

SUBJECT, HOWEVER, to (a) the interest of the Borrower, to the extent provided in the Loan Documents, with respect to the tax, insurance or other similar escrows and with respect to any property insurance proceeds or Condemnation awards or proceeds of foreclosure, (b) the right of the Issuer to exercise, without the consent of the Holder until an Event of Default (as defined herein) shall have occurred and be continuing, all rights, powers, privileges and other benefits under the Loan Documents, including the right to make all waivers and agreements, to give and receive duplicate copies of all notices and other instruments or communications, to take such action upon the occurrence of any default under the Loan Documents, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Loan Documents or by law, but subject to, and only upon, the terms and conditions of Article V hereof, and (c) any of the rights of the Issuer and the Trustee and their respective directors, officers, elected officials, attorneys, accountants, employees, agents and consultants to be held harmless and indemnified thereunder, to be paid fees as described therein, to be reimbursed for attorneys' fees and expenses thereunder and to give or withhold consent to amendments, changes, modifications and alterations to and to enforce the provisions of the Regulatory Agreement as that term is hereinafter defined (collectively, (a), (b) and (c) of this paragraph are collectively referred to as the "**Reserved Rights**").

IT IS HEREBY COVENANTED by the parties hereto that the Collateral is to be held and applied subject to the further covenants, conditions, uses and trusts herein set forth; and the Issuer and the Trustee, for themselves and their respective successors and assigns, hereby covenant and agree with the Holder as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. The following terms shall, for all purposes of this Indenture, have the following respective meanings:

"*Affiliate*" means any successor to HHDC Martha Manager LLC as the Holder, including such parent entity.

"*Authorized Denomination*" means the outstanding principal amount of the Bonds.

"*Authorized Officer*" means any person or persons specifically authorized by the Ordinance to take the action intended.

"*Bond Counsel*" means nationally recognized bond counsel who is under contract to provide such services to the Issuer.

"*Bond Mortgage*" means the Bond Mortgage, Assignment of Rents, Security Agreement and Financing Statement (Seller Financing) made for the benefit of the Holder and, while the Bonds are outstanding, collaterally assigned to the Trustee, in its capacity as trustee for the Issuer.

"*Bonds*" means the Issuer's Multifamily Housing Revenue Bonds (Martha Washington Apartments), Series 2025 in the aggregate principal amount of \$_____ issued under and secured by this Indenture.

"Borrower" means The Martha HHDC LIHTC LLC, an Illinois limited liability company.

"Borrower Loan Documents" mean the Note and the Bond Mortgage.

"Business Day" means any day other than (i) a Saturday or a Sunday, or (ii) a day on which federally insured depository institutions in New York, New York are authorized or obligated by law, regulation, governmental decree or executive order to be closed.

"Closing Date" means the date of original issuance of the Bonds hereunder.

"Code" means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Collateral" shall have the meaning assigned to such term in the granting clauses of this Indenture.

"Completion Date" means the date of the completion of the rehabilitation of the Project, as that date shall be certified as provided in _____.

"Condemnation" means any action or proceeding or notice relating to any proposed or actual condemnation or other taking, or conveyance in lieu thereof, of all or any part of the Project, whether direct or indirect.

"Consideration" 100% of the membership interests in Owner, equivalent to \$ _____, which property will be conveyed by Holder to Borrower in exchange for the Note with respect to the portion of the property constituting the Consideration.

"Determination of Taxability" shall mean (i) a determination by the Commissioner or any District Director of the Internal Revenue Service, (ii) a determination by any court of competent jurisdiction, or (iii) the enactment of legislation, in each case to the effect that the interest on the Note is includable in gross income for federal income tax purposes of any holder or any former holder of all or a portion of the Note, other than a holder who is a "substantial user" of the Project or a "related person" (as such terms are defined in Section 147(a) of the Code); provided, however, that no such Determination of Taxability under clause (i) or (iii) shall be deemed to have occurred if the Borrower is contesting such determination, has elected to contest such determination in good faith and is proceeding with all applicable dispatch to prosecute such contest until the earliest of (a) a final determination from which no appeal may be taken with respect to such determination, (b) abandonment of such appeal by the Holder or the Borrower, as the case may be, or (c) one year from the date of initial determination.

"Electronic Means" means the following communications methods; e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

“Equity Investor” means CREA The Martha Washington LLC, an Illinois limited liability company, as nominee, and such entity’s successors and assigns.

“Issuer Fee” means the fees of the Issuer, paid by the Borrower to the Issuer on the Closing Date, (a) in an amount equal to 1.5% of the par amount of the Bonds, in connection with, and as consideration for, the issuance of the Bonds and (b) in an amount equal to 0.10% of the par amount of the Bonds, as a legal reserve fee.

“Loan” means the mortgage loan made by the Holder for the account of the Issuer to the Borrower with respect to the Project, from the proceeds of the Bonds, pursuant to the Loan Documents.

“Loan Documents” means this Indenture, the Bonds and the Borrower Loan Documents.

“Note” means the Note, in the form attached hereto as **Exhibit C**, executed by the Borrower on the Closing Date in favor of the Issuer and the Holder and endorsed by both to the Trustee.

“Ongoing Issuer Fee” means the ongoing fee of the Issuer, in an amount equal to 0.15% of the outstanding principal amount of the Bonds, accruing monthly and payable to the Issuer semi-annually.

“Operating Agreement” shall mean the Amended and Restated Operating Agreement of the Borrower dated _____, 2025, as the same may be amended, restated or modified in accordance with terms.

“Ordinance” means the ordinance adopted by the City Council of the Issuer on _____, 2025, authorizing the issuance, sale and delivery of the Bonds.

“Owner” means The Martha HHDC LLC, an Illinois limited liability company.

“Paying Agent” shall mean the Trustee, or any successor trustee or entity designated for such role pursuant to this Indenture.

“Permitted Encumbrances” shall have the meaning assigned to such term in Section 6.1(v) of this Indenture.

“Project” shall have the meaning assigned to such term in the recitals to this Indenture.

“Qualified Institutional Buyer” shall have the meaning set forth in Rule 144A of the Securities Act of 1933, as amended.

“Qualified Transferee Letter” means a Qualified Transferee Letter in the form attached hereto as **Exhibit B**.

“Regulatory Agreement” means that certain Tax Regulatory Agreement relating to the Project, dated as of _____ 1, 2025, by and among the Issuer, the Owner, and the Trustee.

“*Reserved Rights*” shall have the meaning assigned to such term in the granting clauses of this Indenture.

“*Responsible Officer*” means, when used with respect to the Trustee, any vice president, assistant vice president, or other officer of the Trustee within the corporate trust office specified in Section 10.5 (or any successor corporate trust office) customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the corporate trust office specified in Section 10.5 because of such person’s knowledge of and familiarity with the particular subject and having direct responsibility for the administration of this Indenture.

“*Seller Loan Note*” shall have the meaning assigned to such term in Section 2.12 of this Indenture.

“*Senior Lender*” means NorthMarq Finance, L.L.C., a Nebraska limited liability company, to the extent that it is the holder of the first mortgage on the Project as security for the Senior Loan.

“*Senior Loan*” means, the loan in the original principal amount of \$4,194,700 made by the Senior Lender to the Owner.

“*Senior Loan Documents*” means the documents evidencing and securing the Senior Loan.

“*Subordination Agreement*” means any subordination or intercreditor agreement(s), if any, entered into among the Senior Lender, Owner, and Holder, pursuant to which the Subordinate Bond Mortgage will be subordinate to the Senior Loan Documents.

“*Tax Certificate*” means the Tax Compliance Certificate executed by the Issuer and the Borrower on the Closing Date, as supplemented and amended, relating, in part, to the Bonds.

“*Tax Counsel*” means nationally recognized bond counsel who is under contract to provide such services to the Issuer.

“*Trustee’s Fee*” shall mean the (i) acceptance fee of the Trustee in the amount of \$ _____ for the Bonds, payable on the Delivery Date, and (ii) legal fee of the Trustee in the amount of \$ _____ for the Bonds, payable on the Delivery Date, and (iii) an annual fee of the Trustee in the amount of \$ _____ payable in advance on the Delivery Date and thereafter on the anniversary of the Delivery Date, in advance in an equal amount annually by the Borrower upon receipt of an invoice therefor from the Trustee, so long as the applicable Bonds are outstanding.

“*UCC*” means the Uniform Commercial Code as in effect in the State of Illinois.

ARTICLE II

THE BONDS

Section 2.1. Issuance of Bonds to Fund Loan. Bonds in the aggregate principal amount of \$12,961,293 are authorized to be issued hereunder. As consideration for the issuance and delivery of the Bonds, the Holder agrees to purchase, at par, the Bonds in an aggregate principal

amount of \$12,961,293 by delivery of the Consideration to the Borrower for the account of the Issuer. The proceeds of the Bonds shall be advanced by the Holder directly to the Borrower, for the account of the Issuer to finance the costs incurred with respect to the acquisition of the Project. The Borrower's obligation to repay the Loan shall be evidenced by the Note, the form of which is attached hereto as Exhibit C.

The Borrower hereby agrees to pay the Note and repay the Loan pursuant to the terms of the to the Note shall be paid to the Issuer, and, upon the cancellation of the Bonds, to the Holder as defined in the Note).

Section 2.2. Form, Face Amount and Delivery of Bonds. The Bonds secured hereby are designated "Multifamily Housing Revenue Bonds (Martha Washington Apartments), Series 2025, are to be issued substantially in the form attached hereto as Exhibit A, are being issued in the face principal amount of \$12,961,293 and will be payable and mature as provided therein. The Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of its Mayor, and attested by the manual or facsimile signature of its City Clerk or Deputy City Clerk, under the official seal, or a facsimile thereof, of the Issuer. Any facsimile signature shall have the same force and effect as if such officer had manually signed that Bond.

If any officer whose signature or facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall, nevertheless, be valid and sufficient for all purposes, the same as if he had remained in office until delivery. Any reproduction of the Issuer's corporate seal on the Bonds shall have the same force and effect as if the official seal of the Issuer had been impressed on the Bonds. The Bonds shall be delivered to the Holder in certificate form upon the Holder's execution of its letter of representation and the issuance of the Bonds.

Following execution by the Issuer, the Bonds shall not be valid or obligatory for any purpose unless and until the Bonds have been duly authenticated by the Trustee by the execution of the certificate of authentication appearing on such Bonds. The certificate of authentication appearing on the Bonds shall be deemed to have been duly executed by the Trustee if manually signed by an authorized officer or employee of the Trustee. Such authentication certificate of the Trustee as the case may be, shall be conclusive evidence that the Bonds so registered or authenticated has been duly executed, registered, or authenticated and delivered.

Section 2.3. Principal. The outstanding principal amount of the Bonds as of any given date shall be the total amount advanced by the Holder to the Borrower, as proceeds of the Loan, for the account of the Issuer, less any payments of principal previously received by such Holder on the Bonds. The principal amount of the Bonds and interest thereon shall be payable on the basis specified in Sections 2.4 and 2.6. The Bonds shall be subject to redemption as provided in Sections 2.9 and shall mature, and become due and payable in full, together with all accrued and unpaid interest thereon, on _____ 1, 2060. Interest. Interest shall be paid on the outstanding principal amount of the Bonds, from and after the Closing Date, at the rate or rates equal to the interest rate in effect from time to time on the Note, payable as set forth in the Note. Interest on the Bonds shall be calculated as provided in the Note.

Section 2.5. Limited Obligation of Issuer to Make Payments. The payments of principal, interest, premiums, late payment fees and all other amounts to be made on the Bonds to the Holder thereof shall be made in accordance with the terms of the Bonds. In no event, however, shall the Issuer have any obligation to make or remit such payments to the Holder unless and until moneys are received therefor by the Issuer or the Trustee, as the case may be, from or with respect to the Loan.

THE BONDS AND THE INTEREST THEREON ARE LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE REVENUES, RECEIPTS AND SECURITY PLEDGED THEREFOR IN THE GRANTING CLAUSES HEREOF. THE BONDS, TOGETHER WITH PREMIUM, IF ANY, AND INTEREST THEREON, DO NOT CONSTITUTE AN INDEBTEDNESS, LIABILITY, GENERAL OR MORAL OBLIGATION OR A PLEDGE OF THE FULL FAITH OR LOAN OF CREDIT OF THE ISSUER, THE STATE, OR ANY POLITICAL SUBDIVISION OF THE STATE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISIONS. NONE OF THE ISSUER, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE PAYMENTS PLEDGED WITH RESPECT THERETO AND CERTAIN RESERVE FUNDS ESTABLISHED IN CONNECTION THEREWITH. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE UNITED STATES OF AMERICA, THE ISSUER, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR OTHER COSTS INCIDENT THERETO. THE BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF, AND ARE NOT GUARANTEED BY THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF.

Section 2.6. Corresponding Payments. The payment or prepayment of principal and interest, premiums, late payment fees and other amounts due on the Bonds shall be identical with and shall be made on the same dates, terms and conditions as the principal, interest, premiums, late payment fees and other amounts due on the Note. Any payment or prepayment made by the Borrower of principal, interest, premiums, late payment fees and other amounts due on the Note shall be deemed to be like payments or prepayments of principal, interest, premiums, late payment fees and other amounts due on the Bonds. Payments or prepayments by the Borrower under the Note shall be deemed to have been constructively received by the Holder as payments or prepayments on the Bonds on the date of receipt of such payments by the Trustee, and interest with respect to each principal payment or prepayment shall cease to accrue upon receipt thereof by the Trustee. Payments or prepayments of principal, interest, premiums, late payment fees and other amounts due and received by the Trustee, shall be remitted promptly by the Trustee to the Holder.

Section 2.7. Replacement of Bonds. Upon receipt of evidence reasonably satisfactory to the Issuer of the loss, theft, destruction or mutilation of the Bonds, or any replacement Bonds, and, in the case of any such loss, theft, or destruction, upon the delivery of an indemnity agreement reasonably satisfactory to the Issuer or, in the case of any mutilation, upon the surrender and

cancellation of such mutilated Bond, the Issuer, at the expense of the Holder of such Bond, will issue a new Bond, of like tenor, in lieu of such lost, destroyed or mutilated Bond.

Section 2.8. Registration and Transferability. The Bonds shall be in fully registered form, registered in the name of the Holder upon registration books of the Issuer at the office of the Trustee, such registration to be noted on the Bonds, after which no transfer shall be valid unless made in compliance with the provisions of this Section 2.8.

The Bonds shall be sold, assigned, transferred or otherwise disposed of only in Authorized Denominations. The Bonds shall be transferable upon said registration books by the Holder in person or by its attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered Holder or its duly authorized attorney. Upon such transfer, the Trustee will note the date of registration and the name and address of the newly registered Holder on the books of the Issuer and on the Bonds. The Issuer and the Trustee may deem and treat the person in whose name the Bond is last registered upon the books of the Issuer, with such registration noted on the Bond, as the absolute owner thereof for the purpose of receiving payment of or on account of the principal, or interest, premium and late payment fees and for all other purposes; all such payments so made to the registered Holder or upon its order shall be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid, and the Issuer shall not be affected by any notice to the contrary.

With the exception of a transfer to an Affiliate of the Holder, the Bonds (and any interests therein) shall not be sold, assigned, transferred or otherwise disposed of by the Holder or any Affiliate of the Holder unless the purchaser of the Bonds (or of any such participation interest) provides a Qualified Transferee Letter substantially in the form attached hereto as Exhibit B. Notwithstanding the above, any holder of the Bonds shall be a Qualified Institutional Buyer except for the initial Holder. The Holder shall provide written notice to the Issuer identifying any person or entity acquiring a participation interest in the Bonds. No sale of participations in the Bonds by the Holder shall relieve the Holder of its obligation to advance the proceeds of the Bonds when required by this Indenture. In no case shall a purchaser of participation interests in the Bonds be deemed to be a Holder of the Bonds. The Holder may disclose to any purchasers or prospective purchasers any information or other data or material in the Holder's possession relating to the Issuer, the Bonds and the Project, without the consent of or notice to the Issuer.

Section 2.9. Circumstances of Redemption of the Bonds; Mandatory Tender. The Bonds are subject to redemption upon the circumstances, on the dates and at the prices set forth as follows:

(a) The Bonds shall be subject to redemption in whole or in part at any time from time to time, at a redemption price equal to the outstanding principal amount of the Bonds to be redeemed plus interest accrued thereon to the date fixed for redemption, without penalty or premium, upon prepayment of the Loan under the terms of the Subordinate Note in whole or in part.

(b) The Bonds shall be subject to redemption in whole on any date at a redemption price equal to the outstanding principal amount of the Bonds to be redeemed

plus interest accrued thereon to the date fixed for redemption, upon acceleration of the Loan in whole following an Event of Default.

(c) The Bonds shall be subject to redemption in whole on any date at a redemption price equal to the outstanding principal amount of the Bonds to be redeemed plus interest accrued thereon to the date fixed for redemption, upon the stated Maturity Date (as defined in the Note) and as more specifically set forth in Section 2.13.

(d) On or after the Completion Date but no earlier than the full repayment of the Senior Loan, the Bonds shall be subject to redemption in whole, at the election of the Borrower, at a redemption price equal to the outstanding principal amount of the Bonds to be redeemed plus accrued interest to the redemption date.

Section 2.10. No Notice of Redemption. No notice of redemption of the Bonds need be given to the Holder or other owners of the Bonds.

Section 2.11. Effect of Redemption. The Bonds so called for redemption shall on the redemption date selected by the Holder become due and payable at the redemption price specified herein, and if moneys provided from the sources contemplated by this Indenture and the Loan Documents for payment of the redemption price are then held by the Holder, interest on the Bonds so called for redemption shall cease to accrue, said Bonds shall cease to be entitled to any lien, benefit or security under this Indenture, and the holders of said Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

If the Bonds are redeemed pursuant to Section 2.9(c), once the Bonds have been tendered by the Holder to the Trustee, the Issuer shall release and terminate any interest Issuer has in the Note such that the Holder will be the sole lender thereunder and the Trustee shall (1) release and terminate the collateral assignment of the Bond Mortgage such that the Holder will be the sole lender and mortgagee thereunder, and (2) release and terminate the UCC financing statements, if any, filed in accordance with Section 3.1(iv) of this Indenture.

All Bonds fully redeemed pursuant to the provisions of Section 2.9 shall be destroyed by the Trustee, which shall thereupon note such destruction in the registration books maintained by the Trustee pursuant to Section 2.8 of this Indenture.

Section 2.12. Amounts Due Upon Redemption. In connection with any redemption of the Bonds, the Borrower shall pay to the Holder the redemption price of the Bonds as set forth herein, plus any amounts due and owing to the Holder or the Issuer under this Indenture. Notwithstanding anything herein to the contrary and at any time prior to the repayment in full of the Senior Loans, the Holder agrees to accept the Seller Loan Note, the form of which is attached hereto in **Exhibit D** (the “**Seller Loan Note**”), as the redemption price of the Bonds under Section 2.9 and in satisfaction of all amounts due hereunder and to deliver the Bonds to the Issuer for cancellation.

Section 2.13. Payment of Bonds at Maturity. The Holder hereby agrees to accept the Seller Loan Note in satisfaction of all amounts due hereunder on the Maturity Date or upon acceleration of the Note prior to the Maturity Date. Upon receipt of the Seller Loan Note, the Holder shall deliver the Bonds to the Issuer for cancellation.

Section 2.14. Subordination of Bonds. The indebtedness evidenced by the Bonds is and shall be subordinate in right of payment to the prior payment in full of all the indebtedness evidenced by the Senior Loan. This Indenture is and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Loan Documents. The rights and remedies of the Holder and each subsequent holder of the Bonds under this Indenture are subject to the restrictions and limitations set forth herein and in the Subordination Agreement, if applicable. Except as provided for in the Subordination Agreement, nothing herein shall be construed to prohibit current payment of amounts due with respect to the Bonds if all payments then currently due under the Senior Loan have been made.

Section 2.15. Book-Entry System. The Bonds shall not be issued initially as book entry bonds. Upon direction of the Holder and upon confirmation satisfactory to the Issuer that each of the Issuer's policies for book-entry delivery of unrated Bonds has been satisfied, the Bonds may be issued pursuant to a Book-Entry System (as defined below) administered by the Securities Depository (as defined below) with no physical distribution of Bond certificates to be made except as provided in this Section 2.15. Except as set forth under "Definitions" below in this Section 2.15, so long as a Book-Entry System is in effect for the Bonds, one Bond in the aggregate principal amount of all Bonds outstanding will be issued and deposited with the Securities Depository to be held in its custody. Such Bond shall be registered in the name of the Securities Depository Nominee (as defined below). The Book-Entry System will be maintained by the Securities Depository and the Participants (as defined below) and Indirect Participants (as defined below) and will evidence beneficial ownership of the Bonds in Authorized Denominations, with transfers of ownership effected on the records of the Securities Depository, the Participants and the Indirect Participants pursuant to rules and procedures established by the Securities Depository, the Participants and the Indirect Participants. The principal or purchase price of and any premium on each Bond shall be payable to the Securities Depository Nominee or any other person appearing on the Bond Register maintained by the Paying Agent as the registered Bondholder or his registered assigns or legal representative. So long as the Book-Entry System is in effect, the Securities Depository will be recognized as the sole Bondholder for all purposes. Transfers or exchanges, payments of principal, purchase price, interest and any premium and notices to Participants and Indirect Participants will be the responsibility of the Securities Depository, and transfers or exchanges, payments of principal, purchase price, interest and any premium and notices to Beneficial Owners (as defined below) will be the responsibility of the Participants and the Indirect Participants. No other party (including the Paying Agent) will be responsible or liable for such transfers or exchanges, payments or notices or for maintaining, supervising or reviewing such records maintained by the Securities Depository, the Participants or the Indirect Participants. While the Book-Entry System is in effect, notwithstanding any other provisions set forth herein, payments of principal or purchase price of, redemption premium, if any, and interest on the Bonds shall be made to the Securities Depository Nominee or the Securities Depository, as the case may be, by wire transfer in immediately available funds to the account of such entity.

The Issuer may at any time elect (i) to provide for the replacement of any Securities Depository as the depository for the Bonds with another qualified Securities Depository, or (ii) to discontinue the maintenance of the Bonds under a Book-Entry System. Upon written notice of such election from the Issuer, the Trustee shall give 30 days' prior notice of such election to the Securities Depository (or such fewer number of days as shall be acceptable to such Securities Depository and the Holder).

Upon the discontinuance of the maintenance of the Bonds under a Book-Entry System, the Issuer will cause Bonds to be issued directly to the Beneficial Owners of such Bonds, or their designees, as further described below. In such event, the Trustee shall make provisions to notify Participants and the Beneficial Owners, by mailing an appropriate notice to the Securities Depository, or by other means deemed appropriate by the Trustee, that Bonds will be directly issued to the Beneficial Owners thereof as of a date set forth in such notice, which shall be a date at least 10 days after the date of mailing of such notice (or such fewer number of days as shall be acceptable to the Securities Depository and the Trustee). Upon such event, the Issuer, at the expense of the Borrower, shall promptly have prepared Bonds in certificated form registered in the names of the Beneficial Owners thereof shown on the records of the Participants provided to the Trustee, as of the date set forth in the notice described above. Bonds issued to the Beneficial Owners, or their designees, shall be in fully registered form substantially in the forms set forth in **Exhibit A**. Prior to any transfer of the Bonds outside the Book-Entry system (including, but not limited to, the initial transfer outside the Book-Entry system) the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

If any Securities Depository is replaced as the depository for the Bonds with another qualified Securities Depository, the Issuer, at the expense of the Borrower, will issue Bonds to the replacement Securities Depository Bonds substantially in the forms set forth in Exhibit A registered in the name of such replacement Securities Depository.

The Issuer, the Borrower and the Paying Agent shall have no liability for the failure of any Securities Depository to perform its obligation to any Participant, any Indirect Participant or any Beneficial Owner of any Bonds, and none of them shall be liable for the failure of any Participant, Indirect Participant or other nominee of any Beneficial Owner of any Bonds to perform any obligation that such Participant, Indirect Participant or other nominee may incur to any Beneficial Owner.

The terms and provisions of a letter of representations between the Issuer and the Securities Depository (the "Letter of Representations") are incorporated herein by reference and, in the event there shall exist any inconsistency between the substantive provisions of the Letter of Representations and any provisions of this Indenture, then, for as long as the initial Securities Depository shall serve with respect to the Bonds, the terms of the Letter of Representations shall govern.

The Issuer, the Borrower and the Paying Agent may rely conclusively upon (1) a certificate of the Securities Depository as to the identity of the Participants in the Book-Entry System; (2) a certificate of any Participant as to the identity of any Indirect Participant and (3) a certificate of any Participant or Indirect Participant as to the identity of, and the respective principal amount of Bonds beneficially owned by, the Beneficial Owners.

Definitions. During any period when a Book-Entry System is in effect for the Bonds, for purposes of giving any consent, direction or approval or taking any other discretionary action under

this Indenture, the terms “Registered Holder,” “Majority Holder” and “Holder” shall refer to the applicable Beneficial Owner(s) of the Bonds, not to the Securities Depository in whose name the Bonds are registered during such period. In addition, the following definitions apply for purposes of this Section 2.15:

“Beneficial Owner” shall mean the person in whose name a Bond is recorded as beneficial owner of such Bond by the Paying Agent or by a Securities Depository, a Participant or an Indirect Participant on the records of the Paying Agent or of a Securities Depository, a Participant or an Indirect Participant, as the case may be, or such Person’s subrogee.

“Book-Entry System” shall mean a book-entry system established and operated for the recordation of Beneficial Owners.

“Indirect Participant” shall mean a broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as a securities depository through a Participant.

“Participant” shall mean a broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as a securities depository.

“Securities Depository” shall mean The Depository Trust Company and any substitute for or successor to such securities depository that shall maintain a Book-Entry System with respect to the Bonds.

“Securities Depository Nominee” shall mean the Securities Depository or the nominee of such Securities Depository in whose name the Bonds shall be registered on the registration books of the Issuer while the Bonds are in a Book-Entry System.

ARTICLE III

SECURITY FOR THE BONDS

Section 3.1. Delivery of Collateral. To provide security for the payment of the Bonds, the Issuer has pledged, assigned, transferred, conveyed and granted its right, title and interest in the Loan and other security constituting the Collateral to the Trustee. In connection with such pledge, assignment, transfer and conveyance, the Trustee shall be entitled to receive the following documents or instruments promptly following their execution:

- (i) The Note endorsed without recourse to the Trustee;
- (ii) An originally executed Regulatory Agreement;
- (iii) An originally executed Bond Mortgage and all other Loan Documents constituting the Collateral existing at the time of delivery of the Note and a collateral assignment of the Bond Mortgage from the Holder to the Trustee, in recordable form;
- (iv) UCC financing statements or other chattel security documents giving notice of the Holder’s status as an assignee of the Trustee’s security interest in any personal property forming part of the Project, in form suitable for filing; and

(v) UCC financing statements giving notice of the pledge by the Issuer and the Trustee of the Collateral pledged under this Indenture.

The Trustee and the Issuer shall deliver and deposit with the Holder such additional documents, financing statements, and instruments as the Holder may reasonably require from time to time for the better perfecting and assuring to the Holder of its lien and security interest in and to the Collateral.

ARTICLE IV

CONCERNING THE TRUSTEE

Section 4.1. Trustee; Appointment and Acceptance of Duties.

(a) The Issuer hereby appoints [Trustee] as trustee hereunder. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing this Indenture.

(b) Unless otherwise provided, the corporate trust offices of the Trustee are designated as the respective offices or agencies of the Trustee for the authentication and delivery of Bonds.

(c) The Trustee may establish and create any funds or accounts which it deems necessary or convenient for the purposes of carrying out its duties under this Indenture.

Section 4.2. Responsibilities of Trustee.

(a) The recitals of fact herein and in the Bonds contained (other than the certificate of authentication) shall be taken as the statements of the Issuer and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of any Bonds issued hereunder or as to the security afforded by this Indenture, and the Trustee shall incur no liability in respect thereof. The Trustee shall be under no obligation or duty to perform any act that would involve it in expense or liability or to institute or defend any suit in respect of this Indenture or to advance any of its own moneys, unless indemnified to its reasonable satisfaction; provided, however, the Trustee shall make payments of principal and interest on the Bonds (to the extent funds are received to make such payments). Subject to the provisions of subsection (b) of this Section 4.2, the Trustee shall not be liable in connection with the performance of its duties under this Indenture except for its own negligence or willful misconduct. The Trustee shall not be accountable for the use or application by the Borrower of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Trustee in accordance with the provisions of this Indenture or for the use and application of money received by any paying agent. Neither the Trustee nor any paying agent shall be under any liability for interest on any moneys received hereunder except as may be otherwise agreed upon.

(b) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and no implied duties or obligations shall be read in this Indenture against the Trustee. In case an Event of Default has occurred (and has not

been cured within any applicable grace period) and subject to the rights of the Holder with respect to control of remedies following an Event of Default hereunder, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs. Any provisions of this Indenture relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of this Section 4.2.

(c) The Trustee shall cooperate fully with the Holder in the enforcement and protection of the rights of the owners of the Bonds to the fullest extent permitted under this Indenture, the Loan Documents and applicable law. Toward this end, subject to Section 4.2(j) below and the Subordination Agreement, the Trustee shall take such action as directed by the Holder, including foreclosure of the Project under the Bond Mortgage, suit for specific performance of the Loan Documents or for damages for nonperformance thereof and assignment of the Loan Documents to the owners of the Bonds for purposes of enforcing the rights of the owners of the Bonds; provided, that without the prior written consent of the Issuer, the Holder shall give the Trustee no direction as to the enforcement of the Reserved Rights, which shall, except with the prior written consent of the Issuer, be enforceable only by the Issuer.

(d) The Trustee shall not take any discretionary action under the Loan Documents without the written approval of the Holder and shall, subject to the proviso of paragraph (c) of this section, take such discretionary action permitted or required under the Loan Documents, as may be directed in writing by the Holder.

(e) The Trustee shall notify the Holder and the Issuer of any notification received by the Trustee under or pursuant to the Loan Documents promptly after receipt of said notice.

(f) If any Event of Default occurs and is continuing hereunder and if the Trustee has received written notice thereof or is deemed to have notice pursuant to this Indenture, the Trustee shall give to the Holder, the Issuer and the Borrower written notice of such default or Event of Default within thirty (30) days after receipt of such information. For the purpose of this Section 4.2 only, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default under Section 9.1 hereof.

(g) Promptly upon receipt of written notice of the occurrence of a Determination of Taxability, the Trustee shall give immediate telephonic notice, promptly confirmed in writing, to the Borrower, the Issuer and the Holder.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder or under the other Loan Documents except for a default or Event of Default referred to in Section 9.1(a) or (b) hereof, unless a Responsible Officer of the Trustee shall have received written notice of such Event of Default by the Issuer, the Borrower or the Holder or by the owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding.

(i) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall not be responsible for any willful misconduct or gross negligence on the part of any attorney, agent or receiver if

appointed with due care, and shall be entitled to advice of counsel concerning all matters of trust and its duties hereunder. The Trustee may act and shall be protected from liability in so acting, upon the opinion or advice of counsel (who may be the attorney or attorneys for the Issuer, the Holder or the Borrower, but must be independent) approved by the Trustee in the exercise of reasonable care.

(j) Before taking any action under this Indenture relating to an event of default or in connection with its duties under this Indenture other than making payments of principal and interest on the Bonds as they come due or causing an acceleration of the Bonds whenever required by the Indenture, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability. In addition, notwithstanding anything contained herein or in the Bond Mortgage to the contrary, upon the occurrence and continuance of an Event of Default, before taking any foreclosure action or any action which may subject the Trustee to liability under any environmental law, statute, regulation or similar requirement relating to the environment, the Trustee may require that a satisfactory indemnity bond, indemnity or environmental impairment insurance be furnished for the payment or reimbursement of all expenses to which it may be put and to protect it against all liability resulting from any claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability) and expenses which may result from such foreclosure or other action.

Section 4.3. Evidence on Which Trustee May Act.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“**Instructions**”) given pursuant to this Indenture and delivered using Electronic Means; provided, however, that the Issuer, the Borrower or the Holder, respectively, shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions (“**Authorized Officers**”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Issuer, the Borrower or the Holder, as the case may be, whenever a person is to be added or deleted from the listing. If the Issuer the Borrower or the Holder, as the case may be, elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. The Issuer, the Borrower and the Holder each understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Issuer, the Borrower or the Holder, as the case may be, shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Issuer, the Borrower or the Holder, as the case may be, and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Issuer, the Borrower or the Holder, as the case may be. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. Each of the Issuer, the Borrower and the Holder, respectively, agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and

risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Issuer, the Borrower or the Holder, as the case may be; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures. Notwithstanding anything in Article IV to the contrary, Trustee agrees to give the Borrower's Authorized Representative notice of the Trustee's receipt of instructions to deliver the Seller Loan Note pursuant to Section 2.12 of this Indenture to any holder other than the initial Holder.

Section 4.4. Compensation. The Borrower shall pay to the Trustee, the Trustee's Fee, as provided in this Indenture, from time to time reasonable compensation for all services rendered under this Indenture and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Indenture, provided that the Trustee shall have a lien therefor on any moneys or investment securities (other than funds held in trust to pay the principal of or interest on the Bonds) at any time held or received by it under this Indenture.

Section 4.5. Certain Permitted Acts. The Trustee may become the owner of any Bonds with the same rights it would have if it were not the Trustee. To the extent permitted by law, the Trustee may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of owners of the Bonds or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not any such committee shall represent the owners of a majority in principal amount of the Bonds then Outstanding. The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty.

Section 4.6. Resignation of Trustee. The Trustee may resign at any time and be discharged of the duties and obligations created by this Indenture by giving not less than sixty (60) days' written notice to the Issuer, the Borrower and the owners of the Bonds, provided that no resignation shall become effective until the acceptance of appointment by a successor Trustee as provided in Section 4.8 of this Indenture. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 60 days after the giving of such notice of resignation, the retiring Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

Section 4.7. Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, signed by the Issuer or by the Holder (subject to the prior written consent of the Issuer, which consent shall not be unreasonably withheld or delayed, if such removal is not for cause) and filed with the Trustee and the Borrower; provided that no removal shall become effective until the acceptance of appointment by a successor Trustee as provided in Section 4.8 of this Indenture.

Section 4.8. Appointment of Successor Trustee; Temporary Trustee. In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its

property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, the Holder shall appoint a successor Trustee, subject to the prior written consent of the Issuer (which consent shall not be unreasonably withheld or delayed). Any successor Trustee shall at all times be a trust company, a state banking corporation or a national banking association with the authority to accept trusts in the State approved in writing by the Issuer and either (a) have a combined capital and surplus of at least \$50,000,000 as set forth in its most recent published annual report of condition, (b) be a wholly owned subsidiary of a bank holding company, or a wholly owned subsidiary of a company that is a wholly owned subsidiary of a bank holding company, having a combined capital surplus of at least \$50,000,000 as set forth in its most recent published annual report of condition, and have at least \$500,000,000 of trust assets under management or (c) be otherwise acceptable to the Holder in its sole and absolute discretion.

Section 4.9. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under this Indenture shall execute, acknowledge and deliver to its predecessor, and also to the Issuer, the Holder and to any owner of a Bond which shall request the same, an instrument accepting such appointment and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named; but the Trustee ceasing to act nevertheless, shall execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as reasonably may be required for more fully and certainly vesting and confirming in such successor all the right, title and interest of the predecessor Trustee in and to any property held by it under this Indenture, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions set forth in or pursuant to this Indenture. Should any deed, conveyance or instrument in writing from the Issuer be required by such successor Trustee for more fully and certainly vesting in and confirming any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged and delivered by the Issuer.

Section 4.10. Merger or Consolidation of Trustee. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it may be party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, and shall be authorized by law to perform all the duties imposed upon it by this Indenture, shall be the successor to the Trustee without the execution or filing of any paper or the performance of any further act; provided, however, that any such successor Trustee shall meet the requirements of a successor Trustee under Section 4.8 hereof.

ARTICLE V

DEFAULTS ON LOAN

Section 5.1. Defaults on Loan. Except as provided in Section 5.2 hereof, upon the happening of any default by the Borrower under the Note or the Bond Mortgage, or any other Loan Document, after expiration of any applicable cure periods, the Trustee shall (a) promptly notify the Holder of the default (to the extent the Trustee has actual knowledge of the same), (b) subject

to the Subordination Agreement, take such action as it is directed to take by the Holder to enforce the Loan Documents (subject to the Trustee's right to seek indemnity hereunder prior to instituting any such action), and (c) promptly apply all proceeds realized upon enforcement of the Loan Documents, if any, in the following order of priority:

(i) To reimburse the Trustee for its fees, losses and expenses (including reasonable attorneys' fees) incurred in taking such action to enforce the Loan Documents or as a result of an alternate cause or causes of action described in Section 5.3;

(ii) To pay to the Holder any interest accrued on the Bonds, without preference or priority of any installment of such interest over any other installment of such interest;

(iii) To pay to the Holder all principal outstanding on the Bonds and any corresponding unpaid late payment fees, without preference or priority of any installment or amount of such principal, or fees over any other installment of principal, or fees; and

(iv) To reimburse the Holder for any losses or expenses incurred by it in connection with such default on the Bonds.

The balance, if any, of such proceeds shall be applied in accordance with the Loan Documents, if applicable, and otherwise in accordance with the applicable law or as determined by the Issuer.

In the event that the Trustee or the Holder accepts a deed in lieu of a foreclosure or credit bids at the foreclosure sale and subsequently takes title to the Project, the Holder may request that the Issuer effect a termination of the Regulatory Agreement, but only in accordance with the terms of the Regulatory Agreement. In the event that the Trustee accepts a deed in lieu of foreclosure or makes a credit bid at a foreclosure sale and subsequently takes title to the Project, the Trustee shall take appropriate action to cause such deed to be delivered to the Holder.

The Issuer shall have no obligation to take any action or to incur any expense with respect to any default by the Borrower and shall have no liability to the Holder, the Trustee or any other person for any losses or expenses incurred as a result of such a default.

The Issuer, Trustee and Holder hereby agree that the cure of any default under the Subordinate Note, the Subordinate Bond Mortgage or any other Loan Document which is timely made by the Equity Investor within the same cure period granted to the Borrower shall be deemed a cure by the Borrower.

Section 5.2. Action After Consultation with Holder. Upon the happening of any default by the Borrower under the Subordinate Note, the Subordinate Bond Mortgage or any other Loan Document, after expiration of any applicable cure periods, the Trustee shall notify the Holder of such circumstance (to the extent it has actual knowledge of the same). Subject to the Subordination Agreement, the Trustee shall take such actions as are directed by the Holder with respect to such default, subject to the Trustee's right to seek indemnity hereunder prior to instituting any such action.

Section 5.3. Losses and Expenses Upon Exercise of Rights. Any and all losses or expenses incurred in enforcing the Loan Documents, or as a result of an alternate course or courses of action approved by the Holder shall be borne by the Borrower. Such losses or expenses may include, but shall not be limited to:

(i) Loss resulting from nonpayment of interest on or principal of the Loan or from receipt of interest at a rate other than the rate specified in the Subordinate Note.

(ii) Reimbursement of Trustee for expenditures made voluntarily by it for taxes, assessments, water rates, hazard insurance and similar items with respect to the Project or the Loan, or for the completion and preservation of the Project.

(iii) Expenses of foreclosure (including reasonable attorney's fees and court costs) in the event the Trustee forecloses the Subordinate Bond Mortgage.

(iv) Loss resulting from interest on the Bonds becoming includable in gross income for purposes of federal income taxation.

Section 5.4. Notice to Issuer. The Trustee shall provide the Issuer a copy, delivered simultaneously with its delivery to other parties, of any notices given by it or delivered to it regarding the acceleration of the Loan or the foreclosure of the Subordinate Bond Mortgage.

ARTICLE VI

REPRESENTATION AND WARRANTIES OF THE BORROWER AND THE HOLDER; INDEMNIFICATION

Section 6.1. Borrower Representations. To induce the Issuer, Holder and Trustee to execute this Indenture, the Borrower represents as of the date hereof, the following:

(i) *Organization; Special Purpose.* The Borrower is a limited liability company in good standing under the laws of the State (and under the laws of the state in which the Borrower was formed if the Borrower was not formed under the laws of the State), has full legal right, power and authority to enter into this Indenture and to carry out and consummate all transactions contemplated by this Indenture and by proper limited liability company action, as appropriate, has duly authorized the execution, delivery and performance of this Indenture to which it is a party. The representatives of the Borrower executing this Indenture are fully authorized to execute the same. This Indenture has been duly authorized, executed and delivered by the Borrower. The sole business of the Borrower is the ownership, management and operation of the Project.

(ii) *Proceedings; Enforceability.* Assuming due execution and delivery by the other parties thereto, this Indenture will constitute the legal, valid and binding agreements of the Borrower enforceable against the Borrower in accordance with their terms; except in each case as enforcement may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally, by the application of equitable principles regardless of whether enforcement is sought in a proceeding at law or in equity and by public policy.

(iii) *No Conflicts.* The execution and delivery of this Indenture, the consummation of the transactions herein contemplated and the fulfillment of or compliance with the terms and conditions hereof, will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under the Operating Agreement of the Borrower, or to the best knowledge of the Borrower and with respect to the Borrower, any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any mortgage, loan agreement, lease, contract or other agreement or instrument to which the Borrower is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower, which conflict, violation, breach, default, lien, charge or encumbrance might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Indenture, or the financial condition, assets, properties or operations of the Borrower.

(iv) *Litigation; Adverse Facts.* Except as previously disclosed in writing to the Issuer, Trustee and the Holder, there is no legal action, nor is there a basis known to the Borrower for any legal action, before or by any court or federal, state, municipal or other governmental authority, pending, or to the knowledge of the Borrower, after reasonable investigation, threatened, in writing, against or affecting the Borrower or the Owner, or their respective assets, properties or operations which, if determined adversely to the Borrower or the Owner or their respective interests, would have a material adverse effect upon the consummation of the transactions contemplated by, or the validity of, this Indenture, upon the ability of each of the Borrower and Owner to perform their respective obligations under this Indenture, or upon the financial condition, assets (including the Project), properties or operations of the Borrower or the Owner. None of the Borrower or Owner is in default (and no event has occurred and is continuing which with the giving of notice or the passage of time or both could constitute a default) with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Indenture, the ability of each of the Borrower and Owner to perform their respective obligations under this Indenture, or the financial condition, assets, properties or operations of the Borrower or Owner. None of the Borrower or Owner is (a) in violation of any applicable law, which violation materially and adversely affects or may materially and adversely affect the business, operations, assets (including the Project), or financial condition of the Borrower or Owner, as applicable; (b) subject to, or in default with respect to, any other legal requirement that would have a material adverse effect on the business, operations, assets (including the Project), or financial condition of the Borrower or Owner, as applicable; or (c) in default with respect to any agreement to which the Borrower or Owner, as applicable, are a party or by which they are bound, which default would have a material adverse effect on the business, operations, assets (including the Project), or financial condition of the Borrower or Owner, as applicable; and (d) there is no legal action pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower or Owner questioning the validity or the enforceability of this Indenture.

(v) *Agreements; Consents; Approvals.* Except as contemplated by this Indenture, the Borrower Loan Documents, and the Series 2024A Bonds Loan Documents, the Borrower is not a party to any agreement or instrument or subject to any restriction that would materially adversely affect the Borrower, the Project, or the Borrower's business, properties,

operations or financial condition or business prospects, except the permitted encumbrances permitted by the Subordinate Bond Mortgage (the “**Permitted Encumbrances**”). The Borrower is not in default in any material respect in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any Permitted Encumbrance or any other agreement or instrument to which it is a party or by which it or the Project is bound.

No consent or approval of any trustee or holder of any indebtedness of the Borrower, and to the best knowledge of the Borrower and only with respect to the Borrower, no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority (except no representation is made with respect to any state securities or “blue sky” laws) is necessary in connection with the execution and delivery of this Indenture, or the consummation of any transaction herein contemplated, or the fulfillment of or compliance with the terms and conditions hereof, except as have been obtained or made and as are in full force and effect.

(vi) *No Bankruptcy Filing.* The Borrower is not contemplating either the filing of a petition by it under any state or federal bankruptcy or insolvency law or the liquidation of all or a major portion of its property (a “Bankruptcy Proceeding”), and the Borrower has no knowledge of any Person contemplating the filing of any such petition against it. As of the Closing Date, the Borrower has the ability to pay its debts as they become due.

(vii) *State Law Requirements.* The Borrower hereby represents, covenants and agrees to comply with the provisions of all applicable State laws relating to the Bonds, the Loan and the Subordinate Note.

(viii) *Investment Company Act.* The Borrower is not (i) an “investment company” or a company “controlled” by an “investment company,” within the meaning of the Investment Company Act of 1940, as amended; or (ii) a “holding company” or a “subsidiary company” of a “holding company” or an “affiliate” of either a “holding company” or a “subsidiary company” within the meaning of the Public Utility Holding Company Act of 1935, as amended.

(ix) *Fraudulent Transfer.* Giving effect to the transactions contemplated by this Indenture, the fair saleable value of the Borrower’s assets exceeds and will, immediately following the execution and delivery of this Indenture, exceed the Borrower’s total liabilities, including subordinated, unliquidated, disputed or contingent liabilities. The fair saleable value of the Borrower’s assets is and will, immediately following the execution and delivery of this Indenture, be greater than the Borrower’s probable liabilities, including the maximum amount of its contingent liabilities or its debts as such debts become absolute and matured. The Borrower’s assets do not and, immediately following the execution and delivery of this Indenture will not, constitute unreasonably small capital to carry out its business as conducted or as proposed to be conducted. The Borrower does not intend to, and does not believe that it will, incur debts and liabilities (including contingent liabilities and other commitments) beyond its ability to pay such debts as they mature (taking into account the timing and amounts to be payable on or in respect of obligations of the Borrower).

(x) *Approval of Documents; Due Diligence.* By its execution and delivery of this Indenture, the Borrower approves the form and substance of this Indenture and agrees to carry

out the responsibilities and duties specified in this Indenture to be carried out by the Borrower. The Borrower acknowledges that (a) it understands the nature and structure of the transactions relating to the financing of the Project, (b) it is familiar with the provisions of all of this Indenture and other documents and instruments relating to the financing, (c) it understands the risks inherent in such transactions, including without limitation the risk of loss of the Project, and (d) it has not relied on the Issuer or the Trustee for any guidance or expertise in analyzing the financial or other consequences of the transactions contemplated by this Indenture or otherwise relied on the Issuer or the Trustee in any manner.

(xi) *Regulatory Agreement.* The Project is, as of the date of origination of this Indenture, in compliance with all requirements of the Regulatory Agreement to the extent such requirements are applicable; and the Borrower intends to cause the residential units in the Project to be rented or available for rental on a basis which satisfies the requirements of the Regulatory Agreement, including all applicable requirements of the Act, the Code and the Regulations. The Borrower will, on the date of the issuance of the Bonds, have good and marketable title to the Project.

(xii) *Application of Proceeds.* The Borrower will apply the proceeds of the Bonds in a manner that is consistent with the Bond and this Indenture.

(xiii) *Certificates.* Any certificate signed by an authorized officer of the Borrower delivered to the Issuer or the Holder shall be deemed a representation and warranty by the Borrower to such parties as to the statements made therein.

(xiv) *Ongoing Issuer Fee.* The Borrower shall make prompt payment of the Ongoing Issuer Fee to the Trustee not later than 15 days prior to each monthly due date for payment of the Ongoing Issuer Fee, other than the payment made on the Closing Date, automatically and without receiving an invoice.

Section 6.2. Survival of Representations and Covenants. All of the representations and warranties in Section 6.1 hereof and elsewhere in this Indenture (i) shall survive for so long as any portion of the Bonds remain due and owing and (ii) shall be deemed to have been relied upon by the Issuer, the Trustee and the Holder notwithstanding any investigation heretofore or hereafter made by the Issuer, the Trustee or the Holder or on its or their behalf.

Section 6.3. Borrower's Obligations.

(a) Subject to Section 10.12 of this Indenture, the Borrower hereby agrees to indemnify and save harmless the Issuer, the Holder and the Trustee from and against all liabilities, obligations, suits, actions, claims, judgments, demands, damages, penalties, fines, assessments, losses, expenses, fees (including all reasonable fees of attorneys, auditors and consultants), taxes (inclusive of rebate to the United States, but exclusive of income taxes on fees earned by the Trustee), contributions, and costs of every kind and nature (including litigation and court costs, amounts paid in settlement by or with the approval of the Borrower and amounts paid to discharge judgments) (collectively, "Claims") incurred by, or asserted or imposed against, an Indemnified Party, the Borrower, or any other person directly or indirectly resulting from or arising out of or

relating to (but excluding such Claims arising from the gross negligence or willful misconduct of the Issuer or the negligence or willful misconduct of the Trustee and the Holder):

(i) the exchange, release, issuance, offering, sale, delivery, modification, conversion or remarketing of the Bonds, as applicable;

(ii) the enforcement of (A) the provisions of this Indenture and (B) the obligations of the Borrower imposed hereby;

(iii) any untruthful, misleading or inaccurate information supplied by the Borrower relating to the Project, the Borrower or to the terms of financing relating to the Project, including but not limited to, any breach of any representation or warranty of the Borrower set forth in this Indenture or any certificate delivered pursuant thereto, and any representation or warranty of the Borrower, or any information of or provided by the Borrower that contains or contained any untrue or misleading statement of fact or omits or omitted to state any material fact necessary to make the statements made therein not misleading in light of the circumstances under which they were made;

(iv) any breach or alleged breach (except in the case of a breach alleged by the Issuer or the Trustee and such alleged breach is not found by a court of competent jurisdiction) by the Borrower of the covenants of the Borrower contained herein;

(v) any injury to or death of any person or damage to property in or upon the Project or growing out of or connected with the repair, management, ownership, operation, use, non-use, maintenance, construction, design, installation, rehabilitation, condition or occupancy of the Project or any part thereof caused by the negligence or willful act of the Borrower, including any and all acts or operations relating to any construction, operation, use, non-use, design, management, ownership, condition, occupancy, maintenance, installation or repair performed by the Borrower in connection with the Project;

(vi) violation or breach of any agreement, covenant, representation, warranty or condition of this Indenture (except in the case of a breach alleged by the Issuer or the Trustee and such alleged breach is not found by a court of competent jurisdiction) or the Loan, except by the Issuer in the case of its gross negligence or willful misconduct or the Trustee in the case of its negligence or willful misconduct;

(vii) a Determination of Taxability, including, but not limited to, the fees and expenses of the Issuer, the Holder or the Trustee and their counsel, with respect to such determination, in responding to any inquiry or audit by the Internal Revenue Service;

(viii) all expenses reasonably incurred in the investigation of, preparation for or defense of any litigation, proceeding or investigation of any nature whatsoever related to the Project or the Loan, commenced or threatened against the Borrower, the Project or an Indemnified Party;

(ix) any action, suit, claim, demand or proceeding contesting or affecting title to the Project;

(x) any suit, action, administrative proceeding, enforcement action, or governmental or private action of any kind whatsoever commenced against the Borrower, the Project or an Indemnified Party that might adversely affect the validity or enforceability of the Loan, this Indenture, or the performance by the Borrower or by any Indemnified Party of their respective obligations under this Indenture or any other document executed in connection therewith by the Borrower or any Indemnified Party; and

(xi) material information provided by the Borrower or required and failed to be furnished by the Borrower relating to the Borrower or the Project, any information furnished by the Borrower for, and included in, or used as a basis for preparation of, any certifications, information statements or reports furnished by the Issuer, any other information or certification obtained from the Borrower to assure the exclusion of the interest on the Bonds from gross income of the holders thereof for federal income tax purposes, and the transactions contemplated by this Indenture and the Bonds, and the carrying out by the Borrower of any of the transactions contemplated by the Bonds and this Indenture.

(xii) any and all costs, claims, liabilities, losses or damages whatsoever (including reasonable costs and fees of counsel, auditors or other experts), asserted or arising out of or in connection with the acceptance or administration of the trusts established pursuant to this Indenture, except costs, claims, liabilities, losses or damages resulting from the negligence or willful misconduct of the Trustee including the reasonable costs and expenses (including the reasonable fees and expenses of its counsel) of defending itself against any such claim or liability in connection with its exercise or performance of any of its duties hereunder and of enforcing this indemnification provision.

All references to the Issuer, the Holder and the Trustee in this Section shall be deemed to include all their respective past, present, and future officers, directors, members, employees, commissioners, and agents and their permitted successors and assigns (also referred to herein as “Indemnified Party” or “Indemnified Parties”).

The Borrower shall indemnify and save each Indemnified Party harmless from any such Claims (but excluding such Claims arising from the gross negligence and willful misconduct of the Issuer or the negligence or willful misconduct of the Trustee and the Holder) and upon notice from such Indemnified Party, the Borrower shall defend them or either of them in any such action or proceeding as provided below.

Any Indemnified Party, after receipt of notice of the existence of a Claim in respect of which indemnity hereunder may be sought or of the commencement of any action against an Indemnified Party in respect of which indemnity hereunder may be sought, shall notify the Borrower in writing of the existence of such Claim or commencement of such action. The Borrower shall undertake promptly to defend, at their sole cost and expense, any and all Claims against an Indemnified Party in connection with any of the matters indemnified against in this Section. In the event that any action or proceeding is brought against any Indemnified Party with respect to which indemnity may be sought under this Indenture, the Borrower, upon receipt by either of written notice from the Indemnified Party, shall assume the investigation and defense of the Claims, including the employment of counsel selected by the Borrower, subject to the approval

of the Indemnified Party. The Borrower shall pay all expenses related to the action or proceeding, with full power to litigate, compromise or settle the same, provided that the Issuer and the Trustee, as appropriate, shall have the right to review and approve or disapprove any such compromise or settlement. If (i) an Indemnified Party determines that a potential conflict of interest exists or may arise as a result of the Borrower assuming the investigation and defense of any Claims, (ii) an Indemnified Party shall have been advised by counsel that there may be legal defenses available to it which are different from or additional to those available to the Borrower, or that a conflict exists that could affect the zealous defense of such Claims by the Borrower, or (iii) the Borrower shall not have assigned the defense of such action and employed counsel therefor satisfactory to the Indemnified Party within a reasonable time after notice of commencement of such action, such Indemnified Party shall have the right to employ separate counsel in any such action or proceeding and participate in the investigation and defense of the action or proceeding, and the Borrower shall pay the fees and expenses of such separate counsel.

(b) Notwithstanding the fact that it is the intention of the parties hereto that the Issuer and the Trustee shall not incur any pecuniary liability by reason of the terms of this Indenture or the Subordinate Note or the undertakings required of the Issuer or the Trustee hereunder, by reason of the modification, exchange, release, issuance, sale and delivery of the Subordinate Note, as applicable, the execution of this Indenture or the performance of any act requested of the Issuer by the Borrower, including all claims arising in connection with the violation of any statutes or regulation pertaining to the foregoing; nevertheless, if the Issuer or the Trustee should incur any such pecuniary liability, then in such event the Borrower shall indemnify and hold the Issuer and the Trustee harmless against all such Claims (but excluding such Claims arising from the gross negligence or willful misconduct of the Issuer, and in the case of the Trustee and the Holder, the negligence or willful misconduct of the Trustee and the Holder) whatsoever, by or on behalf of any Person arising out of the same or out of any offering statement or lack of offering statement in connection with the sale, resale, modification, conversion or remarketing of the Subordinate Note and all costs and expenses incurred in connection with any such Claim or in connection with any action or proceeding brought thereon, and upon notice from the Issuer, the Borrower shall defend the Issuer in any such action or proceeding.

(c) Failure of an Indemnified Party to provide notification to the Borrower required under this Section shall not operate as a waiver of the Borrower's indemnification obligations in this Section unless such failure deprives the Borrower of a material defense to such action.

(d) The obligations of the Borrower under this Section are in addition to and shall not be limited by any provisions hereof to the contrary and shall survive the termination and/or resignation or removal of the Trustee of this Indenture.

Section 6.4. Defense of Claims.

(a) The Borrower shall notify the Issuer, the Trustee, and the Holder promptly in writing of any suits by or against the Borrower or the Project which may materially affect the Project or the security for the Subordinate Note or involving the validity or enforceability of the Subordinate Note or this Indenture; and the Issuer and the Trustee shall have the right upon request to the applicable forum and at the Borrower's expense to join in the defense of such action, suit or proceeding.

(b) Each of the Borrower and the Issuer shall notify the other, the Trustee and the Holder in writing within two (2) days after the filing of a petition in bankruptcy by or against the notifying party as debtor under the federal bankruptcy laws or other proceedings commenced with respect to the notifying party under other applicable bankruptcy, reorganization or insolvency laws, as now or hereafter constituted.

Section 6.5. Borrower's Continuing Obligation. Notwithstanding any transfer of the Project to another owner, the Borrower shall remain obligated to indemnify each Indemnified Party pursuant to this Article VI for all matters arising prior to the date of such transfer, and, as a condition to the release of the transferor on and after the transfer date, the transferee must assume the obligations of the Borrower under this Indenture on and after such transfer date and indemnify each Indemnified Party pursuant to this Article VI for all matters arising on and after the date of such transfer. The Indemnified Party's rights under this Article VI shall survive the termination of this Indenture, the payment of the Loan and the payment or defeasance of the Bonds.

Section 6.6. Agreement to Pay Attorneys' Fees and Expenses. In the event of a default by the Borrower under any of the provisions of this Indenture and the Issuer or the Trustee should employ attorneys or incur other expenses for the collection of payments under the Loan or any other payments hereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Borrower herein, the Borrower agrees that it will on demand therefor pay to the Issuer or the Trustee, as the case may be, the reasonable fees and expenses of such attorneys and such other expenses incurred by the Issuer or the Trustee. This Section will continue in full force and effect notwithstanding the full payment of all obligations under this Indenture or the termination of this Indenture for any reason.

Section 6.7. Indemnity Additional. The indemnity provided by this Article shall be in addition to any other liability the Borrower may otherwise have hereunder, at common law or otherwise, and is provided solely for the benefit of the Holder and the Issuer and their respective successors, assigns, legal representatives or controlling persons and the members, directors, officers, employees and agents thereof, and no other person shall acquire or have any right under or by virtue of such provisions of this Indenture.

Section 6.8. Representations and Warranties of the Holder. The Holder represents, covenants and warrants, for the benefit of the Issuer and the Trustee, as follows:

(a) The Holder is a duly organized and validly existing Illinois limited liability company. The Holder is authorized to enter into the transactions contemplated by this Indenture and to carry out the obligations of the Holder hereunder. The execution, delivery and performance of this Indenture have been duly authorized by the Holder.

(b) Neither the execution and delivery of the Loan Documents, the fulfillment of or compliance with the terms and conditions thereof, nor the consummation of the transactions contemplated thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Holder is now a party or by which the Holder is bound, or constitutes a default under any of the foregoing or results in the creation or imposition of a lien or encumbrance whatsoever upon any of the property or assets of the Holder.

(c) There is no litigation or, to the knowledge of the Holder, proceeding pending or threatened against the Holder or any other person affecting the right of the Holder to execute the Loan Documents or the ability of the Holder to receive the payments required hereunder or thereunder or to otherwise comply with the obligations contained herein.

ARTICLE VII

BOOKS AND RECORDS; REPORTS

Section 7.1. Books and Records. The Trustee shall at all times keep proper books, accounts and records relating to the Loan, the Project, the Loan Documents and the Bonds in a manner conforming to normal trustee practices. All such books, accounts and records shall be accessible for inspection or duplication by the Holder or the Issuer, or their respective representatives during normal business hours or at any other reasonable times.

Section 7.2. Reports. The Trustee shall furnish to the Holder and the Issuer at least annually and upon request a statement of the principal balance outstanding on the Bonds. Unless the Trustee receives notice of any missed payments, it may assume that all payments due on the Bonds have been made in a timely manner for all purposes hereunder.

ARTICLE VIII

NONRECOURSE; OBLIGATIONS NOT DEBT OF ISSUER, AGENT OR STATE

Section 8.1. Limited Obligations. THE BONDS AND THE INTEREST THEREON ARE LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE REVENUES, RECEIPTS AND SECURITY PLEDGED THEREFOR IN THE GRANTING CLAUSES HEREOF. THE BONDS, TOGETHER WITH PREMIUM, IF ANY, AND INTEREST THEREON, DO NOT CONSTITUTE AN INDEBTEDNESS, LIABILITY, GENERAL OR MORAL OBLIGATION OR A PLEDGE OF THE FULL FAITH OR LOAN OF CREDIT OF THE ISSUER, THE STATE, OR ANY POLITICAL SUBDIVISION OF THE STATE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISIONS. NONE OF THE ISSUER, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE PAYMENTS PLEDGED WITH RESPECT THERETO AND CERTAIN RESERVE FUNDS ESTABLISHED IN CONNECTION THEREWITH. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE UNITED STATES OF AMERICA, THE ISSUER, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR OTHER COSTS INCIDENT THERETO. THE BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF, AND ARE NOT GUARANTEED BY THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF.

ARTICLE IX

DEFAULTS UNDER THIS INDENTURE

Section 9.1. Events of Default. Each of the following events shall constitute an event of default ("Event of Default") under this Indenture:

- (i) Failure to pay interest on any Bonds when and as the same shall have become due;
- (ii) Failure to pay the principal of or any premium on any Bond when and as the same shall become due, whether at the stated maturity or redemption date thereof or by acceleration;
- (iii) Failure to observe or perform any other of the covenants, agreements or conditions on the part of the Borrower included in this Indenture or in the Bonds and the continuance thereof for a period of forty-five (45) days after written notice to the Borrower and the Owner have been given by the Trustee or by the Holder (with a copy to the Trustee), unless such default cannot with due diligence be cured within 45 days but can be cured within a reasonable period and will not, in the Holder's sole discretion, adversely affect the Holder or result in impairment any of the Loan Documents, in which case no Event of Default shall be deemed to exist so long as Borrower shall have commenced to cure the default or Event of Default within 45 days after receipt of notice, and thereafter diligently and continuously prosecutes such cure to completion; or
- (iv) If any representation or warranty made by the Borrower contained in this Indenture shall prove to have been false or incorrect in any material respect on the date as of which made.

The Issuer, Trustee and Holder hereby agree that the cure of any Event of Default hereunder which is timely made by the Borrower or any partner of the Borrower, including the Owner and Equity Investor, within the same cure period granted to the Borrower shall be deemed a cure by the Borrower.

Section 9.2. Remedies. If any Event of Default shall have occurred and be continuing, the Holder may give notice to the Issuer and Trustee and, subject to the Subordination Agreement, shall have all rights, powers, and remedies with respect to the Collateral as are available under the UCC applicable thereto or as are available under any other applicable law at the time in effect and, without limiting the generality of the foregoing, the Holder may proceed at law or in equity or otherwise, to the extent permitted by applicable law:

- (i) to take possession of the Collateral or any part thereof, with or without legal process, and to hold, service, administer and enforce any rights thereunder or thereto, and otherwise exercise all rights of ownership thereof, including (but not limited to) the sale of all or part of the Collateral;
- (ii) to service and administer the Bonds as trustee and on behalf of the Issuer or otherwise, and, if applicable, to take all actions necessary to enforce the Loan Documents,

and to take alternative courses of action, with the same power, authority and standard of care as had been provided for the Trustee under Sections 4.1, 4.2 and 4.3 hereof;

(iii) to take such steps to protect and enforce its rights whether by action, suit or proceeding in equity or at law for the specific performance of any covenant, condition or agreement of the Borrower or the Issuer in the Bonds, this Indenture, or the Loan Documents, or in and of the execution of any power herein granted, or for foreclosure hereunder, or for enforcement of any other appropriate legal or equitable remedy or otherwise as the Holder may elect.

Section 9.3. [Reserved].

Section 9.4. Waiver of Appraisal, Evaluation, Etc. The Borrower and the Trustee each hereby waives, to the full extent it may lawfully do so, the benefit of all appraisal, evaluation, stay, extension and redemption laws now or hereafter in force and all rights of marshaling in the event of any sale hereunder or any taking of possession by the Holder, of the Collateral or any part thereof or any interest therein.

Section 9.5. Application of Proceeds of Sale. The proceeds of any sale hereunder of the Collateral or any part thereof or any interest therein shall be applied in the order of priorities set forth in Section 5.1 hereof.

Section 9.6. Right of Holder to Perform Covenants of the Borrower. If the Borrower shall fail to take any action or to perform any obligation required of it hereunder following written notice from the Holder of not less than five (5) Business Days, the Holder, without further notice to or demand upon the Borrower and without waiving or releasing of any obligation or default, may (but shall be under no obligation to) at any time thereafter take such action or perform such obligation for the account of the Borrower, at the Borrower's expense. All sums paid by the Holder or costs incurred (including, without limitation, reasonable attorneys' fees and expenses) together with interest thereon at the maximum legal rate from the date of payment by the Holder, shall be paid by the Borrower.

Section 9.7. No Waiver, Etc. No failure by the Holder to insist upon the strict performance of any term hereof or of the Bonds or the Loan Documents or to exercise any right, power or remedy consequent upon a breach thereof, shall constitute a waiver of any such term or of any such breach. No waiver of any breach shall affect or alter this Indenture, which shall continue in full force and effect, or the rights of the Holder with respect to any other then existing or subsequent breach.

Section 9.8. Remedies Cumulative, Etc. Each right, power and remedy of the Holder provided for in this Indenture or now or hereafter existing at law or in equity or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Indenture or now or hereafter existing at law or in equity or by statute or otherwise; each such right, power or remedy may be exercised by any such person in any order or sequence; and the exercise or beginning of the exercise by any such person of any one or more of such rights, powers and remedies shall not preclude the simultaneous or later

exercise of any or all such rights, powers or remedies. No failure or delay on the part of the Holder to exercise any such right, power or remedy shall operate as a waiver thereof.

ARTICLE X

MISCELLANEOUS

Section 10.1. General Tax Covenant. All representations, warranties and certifications of the Issuer set forth in the Regulatory Agreement and the Tax Certificate are incorporated by reference herein and the Issuer will comply with such as if set forth herein

Section 10.2. Provisions Subject to Applicable Law. All rights, powers and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and are intended to be limited to the extent necessary so that they will not render this Indenture invalid, unenforceable or not entitled to be rendered, registered or filed under the provisions of any applicable law. If any term of this Indenture or any application thereof shall be invalid or unenforceable, the remainder of this Indenture and any other application of such term shall not be affected thereby.

Section 10.3. Applicable Law. This Indenture, the Bonds and the Loan Documents shall be interpreted in accordance with and governed by the laws of the State of Illinois.

Section 10.4. Compromise of Action, Etc. Any action, suit or proceeding brought by the Holder pursuant to any of the terms of this Indenture or the Bonds or otherwise, and any claim made by the Holder hereunder or under the Bonds, may be compromised, withdrawn or otherwise dealt with by the Holder following reasonable written notice to the Issuer and the Trustee and without the approval of such parties.

Section 10.5. Notices, Etc. All notices, demands, requests, consents, approvals and other instruments under this Indenture shall be in writing and shall be deemed to have been properly given if sent via overnight delivery service, addressed:

(a) if to the Issuer:

City of Chicago
Department of Housing
City Hall
121 N. LaSalle Street, Room 1006
Chicago, Illinois 60602

With copies to:

City of Chicago
Office of the Corporation Counsel
City Hall - Room 600
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Finance and Economic
Development Division

and to:

City of Chicago
Department of Finance
City Hall
121 N. LaSalle Street, Suite 600
Chicago, Illinois 60602
Attention: Comptroller

(b) if to the Trustee:

Chicago, Illinois 606__
Attention: _____

(c) if to the Holder:

HHDC Martha Manager LLC
c/o Housing and Human Development Corporation
Chicago, Illinois 606__
Attention: Executive Director

(d) if to the Borrower:

The Martha HHDC LIHTC LLC
c/o Housing and Human Development Corporation
Chicago, Illinois 606__
Attention: Executive Director

and with a copy to:

Applegate & Thorne-Thomsen, P.C.
425 S. Financial Place, Suite 1900
Chicago, IL 60605
Attention: Paul Davis, Esq.

and with a copy to:

CREA The Martha Washington LLC

Chicago, Illinois 606__

Attention: _____

and with a copy to:

Chicago, Illinois 606__

Attention: _____

Section 10.6. Termination. This Indenture shall cease and terminate when the Bonds have been surrendered and finally paid and all obligations secured hereby shall have been observed.

Section 10.7. Duty of Issuer. Except for the actions set forth herein, the Issuer shall not be required hereby to take any action or incur any expense not expressly provided for herein. The Issuer shall not be obligated to take any action which might in its reasonable judgment involve it in any expense or liability unless it shall have been furnished with reasonable indemnity for the Issuer, its officers, directors and employees.

Section 10.8. Consent to Assignment. The Issuer agrees that the Holder shall have the right to assign all of the rights that it holds under this Indenture as "Holder" to any Affiliate, subject to Section 2.8 hereof. The Issuer will execute and deliver to Trustee any documents necessary to effectuate such assignment, and will not take any action to impair Trustee's right to assign pursuant to this Section 10.8.

Section 10.9. Amendment of the Note. The Trustee, with the consent of the Holder, may accept at any time an amended Note or a new Note delivered by the Borrower upon cancellation of the then-current Note; provided that no amendment or change to a Note affecting the payment terms of the Bonds or the nature of the basic collateral security for the performance by the Borrower of its obligations in connection with the Loan shall be valid without the consent of the Issuer and the Senior Lender and receipt by the Trustee of an opinion of Bond Counsel to the effect that such amendment or change will not, in and of itself, adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

Section 10.10. Amendments, Successors and Assigns, Headings and Counterparts. Any of the terms of this Indenture and the Bonds may be amended or waived only by an instrument signed by the Issuer, the Trustee and the Holder. All of the terms of this Indenture shall be binding upon the successors and assigns of and all persons claiming under or through the Issuer and the Trustee and the Borrower or any such successor or assign, and shall inure to the benefit of and be enforceable by the successors and assigns of the Holder. The headings of this Indenture are for convenience of reference only and shall not limit or otherwise affect the meaning hereof. This Indenture may be executed in several counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument.

Section 10.11. Patriot Act Compliance. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Trustee may request documentation to verify its formation and existence as a legal entity. The Trustee may also request to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent such person or other relevant documentation.

Section 10.12. Exchange of Funds. Upon Issuer request, the Trustee shall exchange money and/or investment obligations on deposit in any fund or account for an equal amount of money and/or investment obligations on deposit in any other fund or account or in any fund or account held under another bond resolution or indenture of the Issuer.

Section 10.13. FHA Federal Laws and Requirements Control. Notwithstanding anything in this Agreement to the contrary:

(a) Borrower, Trustee and Issuer acknowledge that this Indenture, and any obligations of Borrower hereunder, are subject and subordinate to the FHA Loan Documents (as such term is defined in the HUD Rider to Restrictive Covenants (the "Rider") attached as Exhibit E to the Regulatory Agreement). Notwithstanding any provision in this Indenture to the contrary, no obligations of the Borrower hereunder shall be payable except from (A) Surplus Cash (as defined in the HUD Regulatory Agreement, as defined in the Rider) or (B) funds that are not derived from (i) revenues of the Project (as defined in the FHA Mortgage, as defined in the Rider), (ii) any reserve or deposit made with the FHA Lender (as defined in the Rider) or any other party as required by HUD in connection with the FHA Loan Documents, or (iii) any proceeds of the FHA Note securing the FHA Loan (as defined in the Rider) (collectively, "Non-Project Sources"). No claims or actions shall be made (or payable) under this Indenture against the Project, the FHA Lender, the proceeds of the FHA Note, or the assets of the Borrower, except from Non-Project Sources. In addition, the rights and obligations of the parties under this Indenture are and shall be subordinated in all respects to the rights and obligations of the parties to and under the FHA Loan Documents. In the event of any conflict between the provisions of (i) this Indenture and (ii) the provisions of the FHA Loan Documents or the Program Obligations (as defined in the FHA Mortgage), the provisions of the FHA Loan Documents or the Program Obligations shall control. The provisions of this Section 10.13 shall control over any inconsistent provisions in this Indenture.

(b) Any subsequent amendment to this Indenture is subject to prior written approval of HUD (so long as the Project is subject to a mortgage insured or held by HUD). No amendment to this Indenture shall conflict with the provisions of the Program Obligations.

(c) The Bonds are not a debt of the United States of America, HUD, FHA, GNMA or any other agency or instrumentality of the federal government, and are not guaranteed by the full faith and credit of the United States or any agency or instrumentality thereof.

(d) There is no pledge hereunder of the gross revenues or any of the assets of the Project.

(e) Neither a default under this Indenture shall constitute a default under the FHA Loan Documents related to the Project.

(f) Nothing contained herein shall inhibit or impair the right of FHA to require or agree to any amendment, change or modification of any FHA Loan Documents related to the Project for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provision contained therein, or in regard to matters or questions arising under said FHA Loan Documents so long as any such amendment, change or modification shall not adversely affect the payment terms of the Bonds.

(g) Neither the Issuer, the Trustee nor any of the holders of the Bonds has or shall be entitled to assert any claim against the Project, any reserves or deposits required by HUD in connection with the Project, or the rents or deposits or other income of the Project.

(h) Proceeds from any condemnation award or from the payment of a claim under any hazard insurance policy relating to the Project will not be payable to the Trustee, but will be payable in accordance with the FHA Loan Documents.

(i) In the event of an assignment or conveyance of the FHA Mortgage to the FHA Commissioner, subsequent to the issuance of the Bonds, all money remaining in all funds and accounts, other than any Rebate Fund under this Indenture, after payment or provision for payment of debt service on the Bonds pursuant hereto and the fees and expenses and any other obligations owed to the Issuer, the Trustee, and such other parties unrelated to the Borrower specified herein, shall be remitted to the FHA Lender.

IN WITNESS WHEREOF, the Issuer has caused this Indenture to be signed in its name and behalf by its authorized officer and its official seal to be hereunto affixed and attested by its authorized officer, has approved this Indenture and the determination of the Issuer herein, and the Trustee has caused this Indenture to be signed in its name by one of its duly authorized officers, all as of the day and year first above written.

CITY OF CHICAGO

[Seal]

By: _____

Name: Jill Jaworski

Title: Chief Financial Officer

Attest:

Name: Andrea M. Valencia

Title: City Clerk

[TRUSTEE],
as Trustee

By: _____

Name: _____

Title: _____

[Signatures continue on following page]

HHDC Martha Manager LLC,
an Illinois limited liability company

By: Housing and Human Development Corporation,
an Illinois not-for-profit corporation,
its manager

By: _____
Name: _____
Title: _____

[Signatures continue on following page]

BORROWER:

The Martha HHDC LIHTC LLC,
an Illinois limited liability company

By: HHDC Martha Manager LLC,
an Illinois limited liability company,
its managing member

By: Housing and Human Development Corporation,
an Illinois not-for-profit corporation,
its manager

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF BOND

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE. ACCORDINGLY, THIS BOND MAY BE SOLD OR OTHERWISE TRANSFERRED IN WHOLE ONLY IN TRANSACTIONS IN WHICH THIS BOND IS REGISTERED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, OR IN TRANSACTIONS IN WHICH THIS BOND IS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. THE ISSUER HAS NOT UNDERTAKEN AN OBLIGATION TO CAUSE THIS BOND TO BE REGISTERED UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS, OR TO COMPLY WITH ANY EXEMPTION THAT MAY BE AVAILABLE UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS, INCLUDING, WITHOUT LIMITATION, RULE 144A UNDER THE SECURITIES ACT. THE REGISTERED OWNER OF THIS BOND AGREES THAT ANY TRANSFER OF THIS BOND WILL BE IN WHOLE IN ACCORDANCE WITH THE PROVISIONS OF THIS BOND.

UNITED STATES OF AMERICA
STATE OF ILLINOIS
CITY OF CHICAGO

MULTIFAMILY HOUSING REVENUE BONDS
(MARTHA WASHINGTON APARTMENTS), SERIES 2025

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>
\$ _____	As determined in the below-defined Note	_____, 1, 2060	_____, 2025

The CITY OF CHICAGO, a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the "Issuer"), for value received, hereby promises to pay (but only from the Collateral) to the order of HHDC Martha Manager LLC, an Illinois limited liability company, or registered assign (the "Holder"), at its office in the State of Illinois, or such other place as the Holder may designate in writing, from the source and in the manner hereinafter provided, the principal sum of _____ DOLLARS (\$ _____), or such portion thereof as is advanced by Holder to or for the account of Issuer, with interest on the unpaid balance of this Bond from the date hereof until this Bond is fully paid, at the rate computed as specified below, in any coin or currency which at the time or times of payment is legal tender for the payment of public or private debts in the United States of America. All capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Indenture hereinafter mentioned.

This Bond constitutes all or part of an issue in the total authorized principal amount of \$ _____, issued by the Issuer for Consideration, as defined in the Indenture, in order to provide moneys to fund a loan (the "Loan") to be made for the account of the Issuer to THE MARTHA HHDC LIHTC LLC, an Illinois limited liability company (the "Borrower") pursuant to the Loan Documents (as defined in the Indenture), for the purpose of financing a portion of the cost of the Borrower's acquisition of 100% of the membership interests in The Martha HHDC LLC, an Illinois limited liability company (the "Owner"), which is the owner of Martha Washington Apartments, a multifamily housing development, containing 104 units and located at 2324 West Irving Park Road, Chicago, Illinois (the "Project"). This Bond is issued pursuant to Article VII, Section 6 of the 1970 Constitution of the State of Illinois and pursuant to the Ordinance adopted by the Issuer on _____, 2025.

The obligations of the Borrower under the Loan will be evidenced by that certain Note (as defined in the Indenture) in the original principal amount of \$ _____. This Bond is secured by a Trust Indenture (the "Indenture"), dated as of _____ 1, 2025, by and among the Issuer, [Trustee], as trustee (the "Trustee"), the Borrower, and Holder. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Indenture.

This Bond shall mature on the Maturity Date set forth above, and the entire unpaid principal balance of and any accrued interest on this Bond shall be paid in full on or before such date.

The principal amount of this Bond as of any given date shall be equal to (i) the total amount advanced by the Holder, on behalf of the Issuer, to the Borrower under the Note, less (ii) any payment of principal on the Bonds received by the Holder thereof. Amounts advanced to the Borrower on the Note and payments of principal on the Bonds shall be noted by the Holder with periodic statements provided, upon request, to the Issuer and the Trustee.

This Bond shall bear interest as provided in the Note.

The payment or prepayment of the principal, interest, late payment fees and other amounts due on this Bond shall be identical with and shall be made on the same terms and conditions as the payments or prepayments of principal, interest, late payment fees and other amounts due on the Note. Any payments or prepayments made by the Borrower of principal, interest, late payment fees and other amounts due on the Note shall be deemed to be like and corresponding payments or prepayments of principal, interest, late payment fees and all other amounts due on this Bond. Said payments or prepayments by the Borrower shall be deemed to have been constructively received by the Holder as payments or prepayments on this Bond on the date of receipt by the Paying Agent under the Note, and interest on this Bond with respect to each principal payment or prepayment shall cease to accrue upon receipt thereof by the Paying Agent. Payments or prepayments of principal, interest, late payment fees and other amounts due that are received by the Paying Agent shall be remitted to the Holder by the Paying Agent immediately. The Holder hereby agrees to accept the Seller Loan Note, the form of which is attached as Exhibit D to the Indenture, in exchange for the Subordinate Note, in satisfaction of all amounts due hereunder on the Maturity Date or on a date that the maker of the Subordinate Note elects to prepay the Subordinate Note as permitted thereunder. Upon receipt of the Seller Loan Note, the Holder shall deliver the Bond to the Trustee for cancellation.

This Bond shall be subject to redemption as provided in the Indenture.

This Bond (or any participation interest therein) may be sold, assigned, transferred, participated or otherwise disposed of only in Authorized Denominations (as defined in the Indenture). This Bond (or any participation interest therein) may not be sold, assigned, transferred, participated or otherwise disposed of, in whole or in part, except upon satisfaction of the requirements of the Indenture.

Subject to the foregoing, this Bond is transferable upon the books of the Issuer at the office of the Trustee, by the registered Holder hereof in person or by its attorney duly authorized in writing, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered Holder or its duly authorized attorney. Upon such transfer, the Trustee will note the date of registration and the name and address of the newly registered Holder on the books of the Issuer and in the registration blank appearing below. The Issuer may deem and treat the person in whose name this Bond is last registered upon the books of the Issuer, with such registration noted on this Bond, as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or interest and for all other purposes; all such payments so made to the registered Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and the Issuer shall not be affected by any notice to the contrary.

All of the agreements, covenants, conditions, limitations, provisions and stipulations contained in the Indenture are hereby made a part of this Bond to the same extent and with the same effect as if they were fully set forth herein. If any payment of the principal of, premium, if any, or interest hereon is not made when due in accordance with the terms and conditions of this Bond, then the Holder may at its right and option declare immediately due and payable the principal of this Bond and interest accrued hereon to the date of declaration of such default, together with any attorneys' fees incurred by the Holder in collecting or enforcing payment hereof, whether suit be brought or not, and all other sums due hereunder or under the Indenture, notwithstanding anything to the contrary therein and payment thereof may be enforced and recovered in whole or in part, at any time, by one or more of the remedies provided in this Bond or the Indenture.

The remedies of the Holder, as provided herein and in the Indenture, may be pursued at the sole discretion of the Holder and may be exercised as often as occasion therefor shall occur. The failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

The Holder shall not be deemed, by any act of omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Holder and then only to the extent specifically set forth in the writing. A waiver with reference to one event shall not be construed as a continuing waiver or as a bar to or waiver of any right or remedy as to a subsequent event.

This Bond may not be amended without the prior written consent of the Issuer and the Holder and the Trustee.

It is intended that this Bond is made with reference to and shall be construed as a contract governed by the laws of the State of Illinois.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture unless this Bond is authenticated by the Trustee by execution of the Certificate of Authentication appearing hereon.

In the event of any inconsistency between the provisions of this Bond and the provisions of the Indenture, the provisions of the Indenture shall be controlling.

This Bond may be transferred in whole, but not in part (and then only in conjunction with a transfer in whole of the Bond and only to a Qualified Transferee who has executed and delivered to the Issuer a letter in the form of the Qualified Transferee Letter attached hereto in the form of Exhibit B to the Indenture. Notwithstanding the foregoing, the owner of the Bond may sell participations in this Bond in accordance with applicable law and this Agreement. For purposes of this paragraph, the term "Qualified Transferee" shall mean a "qualified institutional buyer" as defined in Rule 144A promulgated under the United States Securities Act of 1933, as amended, executing and delivering to the Issuer a Qualified Transferee Letter in the form attached hereto in the form of Exhibit B to the Indenture. The Issuer acknowledges that the Holder may enter into a participation agreement with one or more sophisticated investors.

No recourse shall be had for the payment of the principal of, premium, if any, or interest on this Bond, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture or any indenture supplemental thereto, against any trustee, officer or employee, as such, past, present or future, of the Issuer or any successor, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issue hereof, expressly waived and released. The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

UNIF GIFT MIN ACT --

(Cust) Custodian (Minor)
Under Uniform Gift to Minors
Act _____
(State)

TEN COM – as tenants in common
TEN ENT – as tenants by the entireties
JT TEN – as joint tenants with right of
Survivorship and not as
Tenants in common

Additional abbreviations may also be used though not in the above list.

[Signature Page follows]

IN WITNESS WHEREOF, the Issuer has caused this bond to be executed in its name by the manual or facsimile signature of an authorized officer and its corporate seal to be hereunto impressed or imprinted hereon and attested to by the manual or facsimile signature of an authorized officer of the Issuer, all as of the Dated Date identified above.

CITY OF CHICAGO, ILLINOIS

By: _____

Name: Brandon Johnson

Title: Mayor

Attest:

By: _____

Name: Andrea M. Valencia

Title: City Clerk

*[Signature page to Bonds
Martha Washington Apartments]*

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the Trust Indenture referred to in this Bond.

[TRUSTEE],
as Trustee

By: _____

Name: Authorized Officer

Date of Authentication: _____

EXHIBIT B

FORM OF QUALIFIED TRANSFEREE LETTER

[Letterhead of Investor]

[Date]

City of Chicago
Department of Finance
City Hall
121 N. LaSalle Street, Suite 600
Chicago, Illinois 60602
Attention: Comptroller

Re: \$ _____ Multifamily Housing Revenue Bonds
(Martha Washington Apartments), Series 2025 (the "Bonds")

Ladies and Gentlemen:

The undersigned (the "Investor") hereby represents and warrants to you as follows:

1. The Investor proposes to purchase [To Be Used Only for Partial Participations: a portion of] the Bonds. The Investor understands that the Bonds have not been registered under the Securities Act of 1933, as amended (the "1933 Act"), or the securities laws of any state, and will be sold to the Investor in reliance upon certain exemptions from registration and in reliance upon the representations and warranties of the Investor set forth in this letter.

2. The Investor is duly and legally authorized to purchase the Bonds, and the Investor is duly and legally authorized to execute this Qualified Transferee Letter. The Investor has satisfied itself that the Bonds are a lawful investment for it under all applicable laws.

3. The Investor has sufficient knowledge and experience in business and financial matters in general, and investments such as the Bonds in particular, and is capable of evaluating the merits and risks involved in an investment in the Bonds. The Investor is able to bear the economic risk of, and an entire loss of, an investment in the Bonds.

4. The Investor is purchasing [To Be Used Only for Partial Participations: a portion of] the Bonds solely for its own account for investment purposes and has no intention to resell or distribute all or any portion of, or interest in, the Bonds; provided that the Investor reserves the right to transfer or dispose of the Bonds at any time, and from time to time, in its complete and sole discretion, subject, however, to the restrictions described in paragraphs 4, 5 and 6 of this letter.

5. The Investor is familiar with the City of Chicago (the "Issuer") and is aware that the Bonds are not being offered and sold under or pursuant to an official statement or other disclosure document. In lieu thereof, the Investor was afforded the opportunity to ask questions of the Borrower and to review documents and other materials relating to the Issuer generally and

the Bonds particularly. Specifically, but without limitation, the Investor was given the opportunity to review and did review and evaluate information relating to the sources of repayment of the Bonds and the security therefore. Based on that review and on a general familiarity with the Issuer, the Investor understands that (i) the Bonds, together with premium, if any, and interest thereon, do not constitute an indebtedness, liability, general or moral obligation or a pledge of the full faith or loan of credit of the Issuer, the State of Illinois (the "State"), or any political subdivision of the State of Illinois within the meaning of any constitutional or statutory provisions, (ii) none of the Issuer, the State or any political subdivision thereof shall be obligated to pay the principal of, premium, if any, or interest on the Bonds or other costs incident thereto except from the revenues and assets pledged with respect thereto, (iii) neither the full faith and credit nor the taxing power of the United States of America, the Issuer, the State or any of its political subdivisions is pledged to the payment of the principal of, premium, if any, or interest on the Bonds or other costs incident thereto and (iv) the Bonds are not a debt of the United States of America or any of its agencies and are not guaranteed by the United States of America or any of its agencies.

6. The Investor has independently evaluated the factors associated with its investment decision. The Investor has been given full and complete access to, and has been furnished with, all information requested by the Investor regarding The Martha HHDC LIHTC LLC (the "Borrower"), and has conducted such other investigations relating to the Borrower, the Project and the Bonds, as in the opinion of the Investor was necessary in connection with its purchase of the Bonds. The Investor acknowledges that the Issuer, its members, officers, counsel, advisors and employees, and agents of any of the foregoing (each individually an "Issuer Party" and all collectively with the Issuer, the "Issuer Parties"), have not undertaken to furnish information to the Investor, or to ascertain the accuracy or completeness of any information that may have been furnished to the Investor by or on behalf of the Issuer or the Borrower relating to the operations, financial condition or future prospects of the Borrower or the Development, and that none of the Issuer Parties has made any representations concerning the accuracy or completeness of any information supplied to the Investor relating to the Borrower and the Development. The Investor further acknowledges that the Borrower has not undertaken to furnish information to the Investor regarding the Issuer, or to ascertain the accuracy or completeness of any information that may have been furnished to the Investor by or on behalf of the Issuer, and that the Borrower has not made any representations concerning the accuracy or completeness of any information supplied to the Investor relating to the Issuer. The Investor waives any requirements of due diligence in investigation or inquiry on the part of any of the Issuer Parties and all claims, actions or causes of action which the Purchaser may have directly or indirectly from or relating to any action which the Issuer Parties took, or could have taken, in connection with the issuance and sale of the Bonds to the Investor.

7. The Investor agrees that it will only offer, sell, pledge, transfer or exchange the Bonds (or any legal or beneficial interest in the Bonds) in whole, and then only (i) in accordance with an available exemption from the registration requirements of Section 5 of the 1933 Act, (ii) in accordance with any applicable state securities laws, and (iii) in accordance with the provisions of the Bonds.

8. The Investor is aware that, except as provided in Section 2.8 of the Trust Indenture among the Issuer, the Investor, [Trustee], as trustee and the Borrower, the sale of the Bonds is made in reliance on Rule 144A promulgated under the 1933 Act, as amended ("Rule 144A"), and

understands that the Bonds hereafter may be offered, resold, pledged or transferred only (i) to a person who is a "qualified institutional buyer," as defined in Rule 144A, in compliance with Rule 144A, and (ii) in compliance with the Bonds and applicable state securities laws.

9. If the Investor sells the Bonds (or any legal or beneficial interest in the Bonds), the Investor or its agent will obtain for your benefit, and deliver to you, from any subsequent purchaser a Qualified Transferee Letter in the form of this letter (provided that the purchaser must be a "qualified institutional buyer" as defined in Rule 144A for purposes of paragraph 8 above) or such other materials (including, but not limited to, an opinion of counsel) as are required by you to evidence compliance of such sale and purchase with the requirements of the 1933 Act for an exemption from registration under the Act. The Investor indemnifies the Issuer Parties against any failure by the Investor to transfer the Bonds in accordance with the restrictions relating thereto set forth in this letter.

All representations of the Investor contained herein shall survive the sale and delivery of the Bonds to the Investor as representations of fact existing as of the date of execution and delivery of this letter.

Very truly yours,

[Name of Investor]

[Dated: _____]

By: _____

Name: _____

Title: _____

EXHIBIT C
FORM OF NOTE

The right of the holder of this promissory note to payment of any of the indebtedness evidenced by this promissory note is and will at all times be subordinate to:

(a) the loan in the original principal amount of \$4,194,700 (the “**Senior Loan**”) made by NorthMarq Finance, L.L.C., a Nebraska limited liability company (the “**Senior Lender**”) to The Martha HHDC LLC, an Illinois limited liability company (the “**Owner**”);

(b) the loan in the original principal amount of \$5,016,200, plus accrued interest, made by the City of Chicago (the “**City**”) to North Center Senior Housing L.P. (“**North Center**”) and assumed by the Owner;

(c) the up to \$3,000,000 loan made by the City to Owner pursuant to that certain Loan Agreement, dated as of _____, 1, 2025, between the City and Owner;

(d) the loan in the original principal amount of \$841,400, plus accrued interest made by the City of Chicago Trust Fund to North Center and assumed by the Owner; and

(e) the foregoing subordination is pursuant, among other documents, to any Subordination Agreement(s) among Owner, City, Senior Lender and/or the Trustee dated and recorded with the Cook County Clerk concurrently herewith and recorded with the Cook County Clerk concurrently herewith (the “Subordination Agreement”).

\$ _____, 2025

FOR VALUE RECEIVED, **THE MARTHA HHDC LIHTC LLC**, an Illinois limited liability company (the “Borrower”), promises to pay to the order of the **CITY OF CHICAGO**, a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the “Issuer”), and, upon redemption and cancellation of the Issuer’s Multifamily Housing Revenue Bonds (Martha Washington Apartments), Series 2025 (the “Bonds”) to **HHDC MARTHA MANAGER LLC**, an Illinois limited liability company (the “Lender”), the principal sum of _____ Dollars (\$ _____), plus interest thereon from the date disbursed until paid in full at the interest rate of _____% per annum, compounding annually (the “Interest Rate”). Interest, if any, under this Note shall be computed for the actual number of days which have elapsed, on the basis of a 365-day year.

1. **Obligation.** This Note evidences the Borrower’s obligation to pay the Issuer, and upon the redemption and cancellation of the Bonds, the Lender the full amount of the Indebtedness. The Borrower’s obligations hereunder shall be secured with a Bond Mortgage, Assignment of Rents, Security Agreement and Financing Statement (Seller Financing) from the Borrower to the Lender (the “Bond Mortgage”) and, while the Bonds are outstanding, to [Trustee], as trustee (the “Trustee”), via a collateral assignment of the Bond Mortgage. The Bond Mortgage shall encumber

the Project. The Bond Mortgage shall be fully subordinated to the mortgage liens securing the Senior Loan.

2. **Defined Terms.** Capitalized terms used but not otherwise defined herein shall have the meaning given them in the Trust Indenture dated as of _____ 1, 2025, (the “Indenture”), by and among the Issuer, the Trustee, the Borrower and the Lender.

(a) “Borrower’s Operating Agreement” means the Amended and Restated Operating Agreement of the Borrower dated _____, 2025.

(b) “Indebtedness” means collectively, the principal of, interest on, and any other amounts due at any time under, this Note.

(c) “Loan” means the loan evidenced by this Note.

(d) “Maturity Date” means the earlier to occur of (i) [_____ 1, 20__], or (ii) any earlier date on which the unpaid principal balance of this Note becomes due and payable, by acceleration or otherwise.

(e) “Payment Date” means the Maturity Date.

3. **Method of Payment.** All payments due under this Note shall be payable to the Trustee, for the account of the Issuer, and to Lender, or its successor. Each such payment shall be made by check or wire transfer of immediately available funds in accordance with wire transfer instructions that the Lender shall supply by written notice to the Borrower from time to time.

4. **Repayment of Loan.** Subject to Section 20 hereof and the Borrower’s Operating Agreement and commencing on the first Payment Date and annually on each successive Payment Date, the Borrower shall make principal and interest payments on the Indebtedness, from and to the extent of Net Cash Flow (as such term is defined in the Borrower’s Operating Agreement). To the extent that there is insufficient Net Cash Flow to make payments hereunder, interest accrued and unpaid shall be added to the outstanding principal balance hereof and shall thereafter bear interest at the Interest Rate until paid. Borrower shall repay any outstanding Indebtedness to Lender on the Maturity Date. Net Cash Flow shall be paid subject to the limitations and order of priority set forth in Section ____ of the Borrower’s Operating Agreement. Notwithstanding anything herein to the contrary, on or after the Completion Date and upon the redemption and cancellation of the Bonds, Borrower may elect to prepay this Note with, and Lender agrees to accept the Seller Loan Note, the form of which is attached to the Indenture as Exhibit D, in the original principal amount of \$ _____ plus all amounts due to redeem the Bonds, including without limitation, accrued interest, in satisfaction of all amounts due hereunder.

5. **Application of Payments.** All payments hereunder shall be applied first to accrued and unpaid interest and then the remainder to principal.

6. **Termination of Trustee and Issuer Interest under Note.** Upon the redemption or cancellation of the Bonds, all rights and interests of the Issuer and Trustee hereunder shall terminate automatically without further action or endorsement required and the Lender shall thereafter be the sole beneficiary of this Note.

7. **Acceleration.** Subject to the Subordination Agreement, if an Event of Default has occurred and is continuing, the entire unpaid principal balance, any accrued interest, and all other amounts payable under this Note shall at once become due and payable, at the option of Lender, without any prior notice to Borrower (except if notice is required by applicable law, then after such notice). Lender may exercise this option to accelerate regardless of any prior forbearance.

8. **Prepayment.** Subject to the Subordination Agreement, the Borrower may pay any part or all of the principal of this Note on any date without premium or penalty in accordance with Section 4 hereof.

9. **General Tax Covenant.** All representations, warranties and certifications of the Borrower set forth in the Regulatory Agreement and the Tax Certificate are incorporated by reference herein and the Borrower will comply with such as if set forth herein.

10. **Waivers.** Presentment, demand, notice of dishonor, protest, notice of acceleration, notice of intent to demand or accelerate payment or maturity, presentment for payment, notice of nonpayment, grace, and diligence in collecting the Indebtedness are waived by Borrower and all endorsers of this Note and all other third-party obligors.

11. **Notices.** All notices, demands and other communications required or permitted to be given by Lender or Trustee to Borrower pursuant to this Note shall be made in accordance with the provisions of the Bond Mortgage and the Indenture.

12. **Payments on Non-Business Day.** If the date for the making of any payment under this Note is not a Business Day, such payment shall be due and payable on the next succeeding Business Day.

13. **Governing Law.** The laws of the State of Illinois, other than those laws denominated choice of law rules which would require the application of the laws of another forum, shall govern the validity, construction and effect of this Note.

14. **Severability.** The invalidity, illegality or unenforceability of any provision of this Note shall not affect the validity, legality or enforceability of any other provision, and all other provisions shall remain in force and effect.

15. **No Agency or Partnership.** The relationship between the Borrower and the Issuer and/or Lender is, and at all times shall remain, solely that of debtor and creditor. No covenant or provision of this Note is intended, nor shall it be deemed or construed, to create a partnership, joint venture, agency or common interest in profits or income between the Borrower and the Issuer and/or Lender or render Issuer and/or Lender liable for any debts, obligations, acts, omissions, representations or contracts of Borrower.

16. **Entire Agreement; Amendment and Waiver.** This Note contains the complete and entire understanding of the parties with respect to the matters covered. This Note may not be amended, modified or changed, nor shall any waiver of any provision hereof be effective, except by a written instrument signed by the party against whom enforcement of the waiver, amendment, change, or modification is sought, and then only to the extent set forth in that instrument. No specific waiver of any of the terms of this Note shall be considered as a general waiver.

17. **Captions.** The captions of the sections of this Note are for convenience only and shall be disregarded in construing this Note.

18. **Waiver of Trial by Jury.** TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, BORROWER AND LENDER (A) COVENANT AND AGREE NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS NOTE OR THE RELATIONSHIP BETWEEN THE PARTIES THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVE ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.

19. **Time of the Essence.** Time is of the essence with respect to this Note.

20. **Subordination.** The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the loans described in clauses (a) through (d) of this Note above.

21. **Limited Partner Cure.** The Limited Partner or its affiliates shall have the right, but not the obligation, to cure an Event of Default under this Note and the parties hereto agree to accept such cure as if it were performed by the Borrower itself.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Borrower has caused this Note to be executed and delivered on its behalf on the date first written above.

BORROWER:

The Martha HHDC LIHTC LLC,
an Illinois limited liability company

By: HHDC Martha Manager LLC,
an Illinois limited liability company,
its managing member

By: Housing and Human Development
Corporation,
an Illinois not-for-profit corporation,
its manager

By: _____
Name: _____
Title: _____

*[Signature page to Note
Martha Washington Apartments]*

Exhibit D
PROMISSORY NOTE (SELLER FINANCING)

\$ _____, 2025

FOR VALUE RECEIVED, the undersigned **THE MARTHA HHDC LIHTC LLC**, an Illinois limited liability company ("Maker"), hereby promises to pay to the order of **HHDC MARTHA MANAGER LLC**, an Illinois LIMITED LIABILITY COMPANY ("Lender"), _____, Illinois 60____, or such other address as Lender may from time to time direct, in lawful money of the United States, the principal sum of up to [_____] Million _____ and ____/100 Dollars (\$_____)], or such lesser amount as may have been disbursed from time to time (the "Loan").

Capitalized terms used and not otherwise defined herein shall have the meaning given to them in that certain Amended and Restated Operating Agreement of Maker the ("Operating Agreement") dated _____, 2025.

1. Interest Rate.

Interest on the outstanding principal balance hereof shall accrue at an interest rate of _____%, compounding annually until all amounts due hereunder have been paid in full.

2. Payments.

The principal amount and any accrued and unpaid interest of this Promissory Note shall be paid upon the earlier of (i) [_____] 1, 20__ (the "Maturity Date") (as such Maturity Date may be accelerated as provided herein) or (ii) the sale or transfer of the Property (defined below) to an entity which is not an affiliate of the Borrower. Payments of outstanding principal and accrued interest shall be made from time to time from Net Cash Flow and proceeds from any Capital Transaction, as set forth in Sections ____ and ____, respectively of the Operating Agreement, and the remaining unpaid principal amount and any unpaid accrued interest of this Promissory Note will be due and payable on the Maturity Date, if not sooner paid.

This Promissory Note is made and delivered by Maker to evidence a \$_____ loan previously made by the Lender and provided in connection with acquisition and rehabilitation of Martha Washington Apartments, a multifamily housing development containing one hundred four (104) units and located at 2324 West Irving Park Road, Chicago, Illinois (the "Project"). In accordance with the Trust Indenture among the City of Chicago (the "Issuer"), [Trustee], as Trustee, Lender, and Maker dated as of _____ 1, 2025 (the "Subordinate Trust Indenture"), this taxable Promissory Note shall be substituted for and replace the tax-exempt Note dated _____, 2025 in the original principal amount of \$_____ by Maker in favor of Lender and Issuer (the "Note") pursuant to Section 2.9(d) of the Trust Indenture. The execution and delivery of this Promissory Note is not the creation of a new indebtedness of the Maker to Lender but is the

documentation of an existing indebtedness of the Maker to Lender as detailed in the Trust Indenture.

3. **Prepayments.**

This Promissory Note may be prepaid in whole or in part at any time without any prepayment premium, notice or penalty, provided that loans secured by mortgages that are prior and superior in lien priority to the Bond Mortgage, Assignment of Rents, Security Agreement and Financing Statement (Seller Financing) (the "**Bond Mortgage**") dated as of _____ 1, 2025, including those identified in Exhibit B of the Bond Mortgage, have been repaid in full.

4. **Collateral Security.**

This Promissory Note is secured by the Bond Mortgage, which encumbers the property legally described on **Exhibit A** to the Mortgage (the "**Property**").

5. **Default; Acceleration.**

(a) **Default.** At the election of the Lender, the principal sum remaining unpaid hereon, along with any accrued but unpaid interest, shall become immediately due and payable at the place of payment aforesaid in case of any default in the payment of principal or interest when due in accordance with the terms hereof and the continuation thereof for ten (10) days after written notice to Maker from Lender, or when default shall occur and continue for thirty (30) days after notice to Maker from Lender in the performance of any other agreement contained in this Promissory Note, or such longer period as may be reasonably necessary to effect cure, if cure is commenced within such thirty (30) day period and processed to completion, or any Event of Default under the Mortgage. _____, an Illinois _____ (the "**Limited Partner**"), or its affiliates shall have the right, but not the obligation, to cure an event of default under this Promissory Note and the parties hereto agree to accept such performance as if it were undertaken by the Maker itself.

(b) **Waiver.** Maker waives presentment, protest and demand, notice of protest of demand and of dishonor and non-payment of this Promissory Note, and expressly agrees that this Promissory Note, or any payments hereunder, may be extended from time to time without in any way affecting the liability of Maker. Lender shall not by any act or omission be deemed to have waived any rights or remedies Lender may have hereunder, unless such waiver is in writing and signed by Lender, and then only to the extent specifically set forth therein. A waiver by Lender of one event shall not be construed as containing or as a bar to or waiver of such right or remedy on a subsequent event.

6. **Business Loan.**

Maker represents and warrants to Lender that: (a) the entire proceeds of this Promissory Note are from a "business loan" (as that term is used in 815 ILCS 205/4); (b) Maker is a person borrowing money for the purpose of carrying on or acquiring a business of Maker of the nature described in said 815 ILCS 205/4; and (c) the proceeds of this Promissory Note shall be used exclusively for

the purpose of carrying on or acquiring a business of Maker of the nature described in said 815 ILCS 205/4.

7. [Intentionally Omitted]

8. **Miscellaneous.**

(a) **Notices.** All notices, demands, consents, requests or other communications that are either required or contemplated in connection with this Promissory Note shall be in writing, and shall be deemed given to the intended recipient thereof upon the earlier of: (a) actual delivery thereof at the address designated below for such intended recipient; (b) the first business day after deposit for next business day delivery with a nationally recognized, reputable commercial courier service, such as Federal Express, with all charges prepaid; or (c) the third business day after the deposit thereof at any main or branch United States post office with postage prepaid for delivery thereof via certified or registered first class mail, return receipt requested, and in any such case addressed as follows:

If to the Maker:

The Martha HHDC LIHTC LLC
c/o Housing and Human Development Corporation
Chicago, Illinois 606__
Attention: Executive Director

and with a copy to:

Applegate & Thorne-Thomsen, P.C.
425 S. Financial Place, Suite 1900
Chicago, IL 60605
Attention: Paul Davis, Esq.

and with a copy to:

CREA The Martha Washington LLC

Chicago, Illinois 606__
Attention: _____

and with a copy to:

Chicago, Illinois 606____
Attention: _____

If to Lender: HHDC Martha Manager LLC
c/o Housing and Human Development Corporation
Chicago, Illinois 606____
Attention: Executive Director

With copies to:

Applegate & Thorne-Thomsen, P.C.
425 South LaSalle, Suite 1900
Chicago, IL 60605
Attention: Paul Davis, Esq.

By notice complying with the foregoing provisions of this paragraph, Maker and Lender may from time to time change the above addresses applicable to them for the purposes hereof, except that any such notice shall not be deemed delivered until actually received.

(b) Rights or Remedies Cumulative. The rights or remedies of Lender as provided in this Promissory Note shall be cumulative and concurrent, and may be pursued singularly, successively or together. The failure to exercise any such right or remedy shall in no event be construed as (i) a waiver of the rights to the later exercise thereof, or (ii) the release thereof.

(c) Severability. If any term, covenant or provision contained in this Promissory Note, or the application thereof to any person or circumstance, shall be determined to be void, invalid, illegal or unenforceable to any extent or shall otherwise operate to invalidate this Promissory Note, in whole or part, then such term, covenant or provision only shall be deemed not contained in this Promissory Note; the remainder of this Promissory Note shall remain operative and in full force and effect shall be enforced to the greatest extent permitted by law as if such clause or provision had never been contained herein or therein; and the application of such term, covenant or provision to other persons or circumstances shall not be affected, impaired or restricted thereby.

(d) Governing Law. This Promissory Note shall be construed in accordance with, and governed by, the laws of the State of Illinois.

(e) Captions. The captions or headings at the beginning of any paragraph or portion of any paragraph in this Promissory Note are for the convenience of Maker and Lender and for purpose of reference only and shall not limit or otherwise alter the meaning of the provisions of this Promissory Note.

(f) Subsequent Holders. Upon any endorsement, assignment or other transfer of this Promissory Note by Lender or by operation of law, the term "Lender" as used herein shall mean the endorsee,

assignee, other transferee or successor to Lender then becoming the holder of this Promissory Note.

(g) Subsequent Obligors. This Promissory Note and all provisions hereof shall be binding on all persons claiming under or through Maker. The term "Maker" as used herein, shall include the respective successors, assigns, legal and personal representatives, executors, administrators, devisees, legatees and heirs of Maker.

(h) Standstill. Notwithstanding the foregoing, until the end of the later of (i) the Compliance Period (as such term is defined in the Operating Agreement), or (ii) the date on which the Limited Partner is no longer a partner of the Borrower (the "Standstill Period"), the Lender will not commence foreclosure proceedings with respect to the Property under this Promissory Note or the Subordinate Bond Mortgage or exercise any other rights or remedies it may have under the Promissory Note or the Bond Mortgage, including, but not limited to, accelerating the Promissory Note, collecting rents, appointing (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder. Lender waives no rights or remedies it may have under the Promissory Note or the Bond Mortgage, but merely agrees not to enforce those rights or remedies until the end of the Standstill Period.

[Signature on following page]

IN WITNESS WHEREOF, Maker has executed this Promissory Note as of the date set forth above.

The Martha HHDC LIHTC LLC,
an Illinois limited liability company

By: HHDC Martha Manager LLC,
an Illinois limited liability company,
its managing member

By: Housing and Human Development Corporation,
an Illinois not-for-profit corporation,
its manager

By: _____
Name: _____
Title: _____

EXHIBIT E

LEGAL DESCRIPTION OF PROPERTY

***PARCEL 1:

LOT 2 IN NORTH CENTER RESUBDIVISION OF LOT 2 AND PART OF LOTS 1, 3 AND 4, ALL IN BLOCK 8, IN W.B. OGDEN'S SUBDIVISION OF PART OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED OCTOBER 25, 2005 AS DOCUMENT NUMBER 0529845072 IN COOK COUNTY, ILLINOIS.

PARCEL 2:

A NON-EXCLUSIVE EASEMENT FOR ACCESS, APPURTENANT TO PARCEL 1 AS ESTABLISHED BY PLAT OF NORTH CENTER RESUBDIVISION OF LOT 2 AND PART OF LOTS 1, 3 AND 4, ALL IN BLOCK 8, IN W.B. OGDEN'S SUBDIVISION OF PART OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED OCTOBER 25, 2005 AS DOCUMENT NUMBER 0529845072 LYING ALONG THE EAST LINE OF LOT 1, THE WEST LINE OF LOT 6 AND THE WESTERLY LINE OF LOT 5 OF AFORESAID PLAT OF NORTH CENTER RESUBDIVISION, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

A NON-EXCLUSIVE EASEMENT FOR ACCESS, APPURTENANT TO PARCEL 2, AS ESTABLISHED BY LOT 5 ACCESS EASEMENT AND INDEMNIFICATION AGREEMENT RECORDED AUGUST 6, 2008 AS DOCUMENT NUMBER 0821918097 OVER THAT PART OF LOT 5 IN NORTH CENTER RESUBDIVISION OF LOT 2 AND PART OF LOTS 1, 3 AND 4, ALL IN BLOCK 8 IN W.B. OGDEN'S SUBDIVISION OF PART OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

A STRIP OF LAND, 24.00 FEET IN WIDTH, DESCRIBED AS COMMENCING AT THE INTERSECTION OF THE SOUTH LINE OF BELLE PLAINE AVENUE, BEING THE NORTH LINE OF SAID LOTS 1 AND 2, WITH THE EAST LINE OF WESTERN AVENUE, BEING A LINE 17 FEET EAST OF, AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH, THE WEST LINE OF SAID LOT 1; THENCE SOUTH 00°11'28" EAST ALONG SAID EAST LINE OF WESTERN AVENUE A DISTANCE OF 31.02 FEET TO THE POINT OF BEGINNING ON A LINE 31.02 FEET SOUTH OF, AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH, SAID SOUTH LINE OF BELLE PLAINE AVENUE; THENCE 90°00'00" EAST ALONG SAID PARALLEL LINE A DISTANCE OF 124.10 FEET;

Continued...

Legal Description – continued...

THENCE SOUTH 00°00'00" EAST AT RIGHT ANGLES TO THE LAST DESCRIBED COURSE A DISTANCE OF 24.00 FEET TO A LINE THAT IS 55.02 FEET SOUTH OF, AS MEASURED AT RIGHT ANGLES TO, AND PARALLEL WITH, SAID SOUTH LINE OF BELLE PLAINE AVENUE; THENCE SOUTH 90°00'00" WEST ALONG SAID PARALLEL LINE A DISTANCE OF 124.10 FEET TO SAID EAST LINE OF WESTERN AVENUE; THENCE NORTH 00°11'28" WEST ALONG SAID EAST LINE OF WESTERN AVENUE A DISTANCE OF 24.00 FEET TO SAID POINT OF BEGINNING; ALL IN COOK COUNTY, ILLINOIS.***

PERMANENT REAL ESTATE INDEX NUMBER: 14-18-323-006-0000 (PART OF EASEMENT PARCEL 2 AND OTHER PROPERTY); 14-18-323-007-0000 (PARCEL 1); 14-18-323-011-0000 (PART OF EASEMENT PARCEL 2 AND OTHER PROPERTY) AND 14-18-323-012-0000 (PART OF EASEMENT PARCELS 2 AND 3 AND OTHER PROPERTY)

COMMON ADDRESS: 2324 W. IRVING PARK ROAD, CHICAGO, ILLINOIS 60618